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Railway Age

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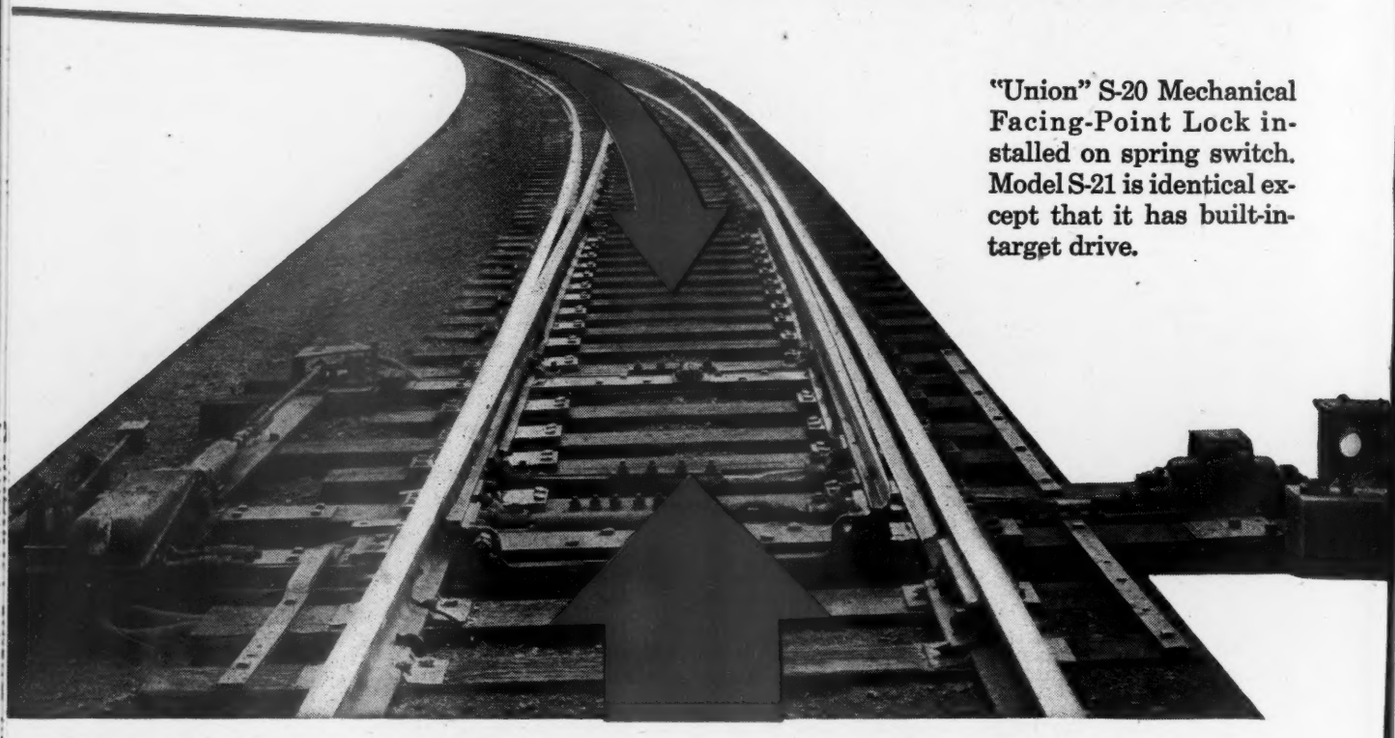

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RAILWAY AGE

Why There Is a Shortage of Transportation

The worst shortage of freight transportation in the nation's history from which it is now suffering is the inevitable consequence of a quarter of a century's failure of the federal government to carry out what it explicitly declared, in the Transportation Act passed by Congress and signed by the President in 1920, would be thereafter its policy in dealing with transportation.

The policy then declared was one of so treating all carriers as to enable them to keep in full strength and vigor. The railways were at that time, excepting the Great Lakes, almost the only important means of inland transportation. To the end that the railways should be adequately improved and expanded, Congress expressly directed the Interstate Commerce Commission to so regulate rates that the railways would be able to earn a fair return on a fair valuation. The Commission in 1922 specifically held that a fair return would be a net operating income of 5¾ per cent annually.

Railway managements and investors, relying on these declarations of governmental policy, effected adequate improvements and expansion during the previous postwar period by increasing the investment in railway properties by $7 billion. The government did not keep the faith. Every branch of it exerting any influence on the development of transportation has persistently and consistently failed and refused ever since 1920 to give effect to the declaration of policy then made insofar as it has applied to railways.

(1) The government has spent many billions of dollars on waterways, highways and airways in complete disregard of the effects of the resulting subsidized competition on the traffic and earnings of the unsubsidized railways.

Unenviable Consistency

(2) The Interstate Commerce Commission so regulated rates that the railways were able even in the years 1921-1930 to earn only 4.18 per cent on investment—equivalent to about 5 per cent on the Commission's valuation. It refused in 1931 to authorize an advance in rates on the ground that the depression would be brief, and the railways in the decade 1931-1940 earned only 2 per cent on investment—equivalent to about 2.4 per cent on the Commission's valuation. Then the Commission changed its mind about the length of the depression, apparently decided it would last forever, and adopted plans of reorganization for bankrupt railways based on depression earnings which wiped out billions of previously valuable railway securities. The Commission was wrong again. The depression did not last forever. During the war years net earnings became larger than ever. But, in the face of hugely increased costs, the Commission delayed so long to increase rates that in 1946 earnings were only 1.5 per cent on investment—about 1.8 per cent on valuation—which pulled the average for 1941-1946, inclusive, down to about 3.8 per cent on investment and 4.5 per cent on valuation.

(3) Because of both the depression and government transportation policies, increase of investment in the railways stopped in the decade 1931-1940. Retirements so greatly exceeded acquisitions of equipment that the numbers of locomotives and cars declined 20 per cent. When we began preparing for war, the railways, in spite of their deplorable financial condition, began placing large orders for equipment and materials. Almost at once the government stepped in and severely restricted production of equipment and materials; and the railways were able to carry the enormously increased war load only because of the cooperation of shippers, of increased efficiency of operation, and of differences between peacetime and war-time traffic and conditions of operation.

Nothing for the Railroads

(4) Everybody knowing anything about transportation foresaw that a heavy peace-time traffic would make demands to which the railways would be wholly unequal unless they could begin immediately after the war getting thousands of new locomotives, hundreds of thousands of new cars and vast quantities of materials. But the Interstate Commerce Commission in the freight rate case, following its usual policy of "too little and too late," left a large part of the industry in the red last year by delaying until January 1, 1947, to put into effect most of an advance in rates needed to pay huge advances in wages most of which became effective January 1, 1946. Meantime the railways and manufacturers of equipment and supplies for them were unable in 1946 to get anywhere near all the orders they placed filled because, owing to policies of the government and the steel companies, they could get only 9 per cent, or 4,300,000 tons, of the total steel produced, as compared with an average of 20 per cent of total steel production, or 7,800,000 tons, that they got annually two decades before in 1925-28 when their need of equipment and

materials and the need of the nation for railroad transportation were much less imperative.

So here we are, with an ostensible government policy a quarter of a century old of keeping all carriers in full strength and vigor, with an "impartial" and "expert" Interstate Commerce Commission especially charged with the duty of carrying that policy out, with billions of the taxpayers' money sunk in subsidized means of transportation, and with the worst shortage of transportation in history—because all branches of the federal government have persistently and consistently failed and refused in prosperity and depression, in war and peace, to apply the government's declared policy regarding transportation to the nation's most important and vital means of transportation. Construction and production of every kind are being restricted, and may long continue to be restricted, in a period of potentially unprecedented prosperity because government, having announced a sound transportation policy, has left it to be carried out by the lunatic fringe in public affairs who could never see why the railways should ever need anything, or why in h--- they should need earnings with which to buy it.

Oh, yes, the *Railway Age* has been singing this doleful song about mistreatment of the railways throughout the quarter of a century since the government announced a transportation policy which no branch of it has ever tried to carry out. So have many spokesmen of the railways. Predictions of the inevitable resulting disaster were so slow in coming true that people—especially those in government, even some on the railways—grew tired of hearing them. Spokesmen of the railways, we were told, should boast more about what the railways were doing (when they were earning 2 per cent) and bellyache less about what was being done to them. Well, if you didn't heed the bellyaching about what was being done to them, you asked for the present results. Railroads are just another kind of a business—just a part of the system of private enterprise to which most of those who have tried to break them profess so much devotion. They can't make bricks without straw, either. They can't maintain, rehabilitate, improve and expand without profits, either. They even have the difficulty in licking government-subsidized competition largely financed with their money about which other industries complain.

Unpalatable, But Not Unforeseen

The foregoing are a few of the facts of life in the field of transportation. The shortage of railroad transportation is hard to take. This paper over and over again predicted it, and also that it would be hard to take, but those who should have given ear did not heed. The shortage can be remedied in due course—but *only by reversing the insane policy of confiscation of railroads* which the lunatic fringe in government have been allowed and encouraged to substitute for the policy solemnly promised by Congress and the President of being fair to the railroads.

If you have accused the railroads of bellyaching and have not yourself bellyached about the policies that have caused the shortage of tansportation, you have no right to bellyache about the shortage now. Perhaps you like the shortage of transportation so little that you can't help bellyaching about it. In that case, bellyache to the right people—to those in Washington who are responsible for it and who apparently have not as yet any intention of reversing the policy that has caused it.

Fewer Main-Track Switches

As a means of reducing track maintenance expense and improving safety of train operation, engineering officers of many railroads have advocated the removal of main-track switches that are not needed under present circumstances. A further reason for removing such switches is to be found in the savings thereby effected in the cost of new signal installations now in the offing. Division operating officers are usually reluctant to relinquish sidings, spurs and crossovers, even when they are infrequently used. To reach a reasonable compromise between these conflicting viewpoints, each of which doubtless has some merit, one solution might be to appoint an impartial committee to make a factual study of each questionable location, and present a report on the benefits of retaining the existing installation as compared to the savings to be expected from its elimination.

On one railroad a solution was found in some places by removing the spur track switches from the main line, putting them in a new lead track connected to the main track—thus eliminating as many as six to eight main-track switches. If there are numerous spurs on the other side of the main track, a second switch lead is, of course, required. Elsewhere on another railroad house tracks were extended to stock pens and grain elevators, thus eliminating two or more main-track switches. By planning and executing these revisions concurrently with rail relay programs, the savings in new frogs and points will, in part, offset the cost of the new work.

In double-track territory, a practice on many roads has been to install hand-throw crossovers at various locations, where they might be needed in emergencies, as well as at every small town where the local freight trains may make switching moves. With changes in conditions at many small towns, some of these crossovers are no longer required except for emergency use, and perhaps a considerable number can be eliminated. The additional signaling now being required by the Interstate Commerce Commission for protection of hand-throw crossovers is an important new item which probably will be the determining factor in favor of removing as many as practicable.

Studies need to be made of the possibilities, especially on single-track lines, of reducing the number of passing sidings, or of converting some of them to spurs with only one main-track switch. In many of these territories the existing sidings were installed years ago when trains were more numerous and the speeds were much less than today. About half of the old sidings will not be needed when new signal systems are installed, and they can be removed. Train movements can be charted on a time-distance diagram to determine which sidings should be removed and to show the effect on train operation. When installing centralized traffic control on 92 miles of single track between Brentwood,

Tenn., and Athens, on the Louisville & Nashville, 8 of the 19 sidings, as such, were taken out of service. At three of these locations the entire siding was removed, while at five places one main-track switch and part of the siding were left in place to serve freight houses or industries.

It would be foolish to remove the main-track switches which are more than earning their keep by their contribution to ease of operation, but those which cannot meet this test—and there are many of them—ought to go.

The Tail—or the Dog?

With the increasing cost of locomotive operation, as a result of both the higher initial price of locomotives and the higher labor and material costs incidental to operation and maintenance, it is natural that every effort should be made to get the last possible hour of revenue service from each available unit in the motive power inventory. Within the past few years the terms "utilization" and "availability" have become so common and their meaning has been so thoroughly and so constantly drilled into operating and mechanical men that almost any means will be used to get "high availability."

It is a strange thing, in railroading as in other businesses, that a worth-while objective will sometimes become, through the concentration of collective effort, almost an obsession, with the result that the real benefit often is completely lost sight of in the zest to establish a record of some kind in a specific direction. Availability is a highly desirable objective with any kind of motive power, but when the establishment of availability records becomes so important that operating and mechanical men lose sight of the real purpose of a locomotive—to haul trains over the road and get commodities and merchandise to consumers at the earliest possible moment—and hold up trains in yards for four and five hours waiting for a locomotive to come in on another train, be turned, and go back over the road again, what kind of railroading is that? When there is traffic to be moved it ought to be the customer who is thought of, rather than the effect of a given practice on locomotive availability, or even on operating cost.

This brings up the matter of costs. If all of the thinking is concentrated on operating—or maintenance—costs per *locomotive-mile* rather than upon the expense of hauling a thousand gross-ton miles, it can very well be that sometimes the decision may be adverse to a relatively high-cost, but high capacity, locomotive that, measured in terms of the cost per thousand gross-ton miles, might prove in the end an extremely economical motive power investment.

This comment is occasioned by reports of poor operating or traffic practices coming to our attention from time to time, which are tolerated, or even encouraged, for the sole purpose of improving the statistics of locomotive operation. And it might also be worth while to look at the annual report of the Bureau of Locomotive Inspection and see what the zeal to get trains over the road has cost in terms of boiler explosions with resultant loss of life, injuries to persons, and property damage. Railroading has a purpose—but not everybody in railroad service seems to have learned what that purpose really is.

Section Gangs—Last Citadel of the Hand Tool

When the methods and equipment now used by the track forces are compared in detail with those in vogue a quarter century or more ago, the great progress made in devising and applying machines for performing various maintenance operations stands out in bold relief. The point has now been reached where machines are available for carrying out a great majority of the operations involved in out-of-face work, and the combined efforts of the railroads and the manufacturers have converged for a final attack on those few tasks that so far, or at least until lately, have resisted mechanization.

With all this progress in adapting machines to track work, it comes as somewhat of a shock to observe that most of the section gangs on many railroads are today still using the same hand tools and methods employed in the days before mechanization got under way. In many instances, the motor cars or other means of transportation used by these gangs in getting to and from their work are the only power-driven appliances available to them.

This does not mean that the possibilities of mechanizing section gangs have not been given careful consideration. The advantages to be realized through the use of machines in the form of better work at reduced cost are too well known for maintenance men to have overlooked the possibility of extending these benefits to their section gangs. These gangs are usually small and their work consists of a wide variety of tasks, on none of which are they usually engaged without interruption for more than a few days or weeks, so any machines placed in their hands might not be used enough of the time to warrant the investment in them.

While not overlooking this consideration, a number of roads have, so to speak, taken the "bit in their teeth," and have supplied their section gangs on an important scale with at least one type of power tool, namely, spot tamping equipment. The results have apparently been highly satisfactory, for the movement to place such tampers in the hands of section gangs, although slow to get a start, is beginning to acquire momentum.

It is well known that power tampers do a better and more uniform job than can be done by hand with picks, and this is a consideration of growing importance as the need increases for higher standards of track maintenance. Also, the output of the men using them is multiplied many times as compared with the work done by hand, so that the use of power tampers by section gangs makes it possible for them not only to do more spot tamping, but to do it in less time, thereby releasing more time for other essential work.

Judging by the experience of those roads on which spot tamping machines are in extensive use by section gangs, this practice has considerable merit and is worth investigating by other roads. Carrying this reasoning one step further, is it not logical to conclude that, if tamping equipment can be used successfully by such gangs, possibly there are other types of machines that they can also employ to advantage? Has not the time come for a final onslaught against this last citadel of the hand tool in track work?

Looking south and west over Turtle Creek valley and the partially completed improvement project of the Union, showing, in the foreground, the new and old Brinton bridges crossing the main line of the Pennsylvania

Main-line bottleneck is eliminated and other operating problems are solved by large-scale track changes involving extensive new bridging with several unusual design features

Union Completes Major Improvements

PART I

AT East Pittsburgh, Pa., the Union Railroad is realizing important operating advantages as the result of the recent completion of a large-scale track and bridge improvement project costing approximately $2,700,000. This project, which was the largest single construction undertaking to be carried out by this road since it was built in 1897, was initiated primarily to eliminate a single-track bottleneck in the main-line system of the Union and to correct other major operating difficulties. Aside from its magnitude, the project is outstanding because of unusual foundation problems, the treatment of superstructures, and the manner in which the work was executed to avoid interference with the operations of both the Union and other railroads involved.

Serious Train Delays

From a construction standpoint, the improvements included a number of interesting innovations in concrete and structural-steel design, and a feature of the project was the erection of a three-track 204-ft., through-truss span over five main-line tracks of the Pennsylvania without using intermediate falsework.

At this location, the road was faced with a difficult operating problem of many years' standing caused by serious congestion in a location which is restricted by the terrain, as well as by the facilities of other roads. The objectionable features of the earlier arrangement were the cause of many delays to train movements over the main line of the Union, and also resulted in considerable interference with industrial and interchange switching in the territory involved.

In addition, the existing bridge structures in the old layout were rapidly reaching their life expectancy and, because of the nature of the original design of these structures, it was considered impractical to initiate a strengthening program.

Under the new arrangement, the operating conditions have been greatly improved. A double-track system, signaled for reverse movements on both tracks, replaces the former single-track section of the line, and the old bridges have been supplanted by new structures, designed to accommodate the heavy wheel loads of modern rolling equipment. As a result, the costly delays to main-line movements that were formerly a frequent occurrence have been almost entirely eliminated, and many other problems of yard and interchange switching have been solved.

The Union Railroad

The Union Railroad is a Class I switching road, with its main line extending from a terminal at North Bessemer, Pa., in a southerly direction through Turtle Creek and East Pittsburgh to Duquesne, Clairton, Mifflin and Homestead, south of the Monongahela river. The property embraces approximately 47 miles of main line, and has a total trackage of about 286 miles.

While engaging in general common-carrier service, the road also serves as a terminal and switching agent for plants of the Carnegie-Illinois Steel Corporation in the Pittsburgh district, as well as for plants of the Universal-Atlas Cement Company at Universal, and the American Steel & Wire Co. at Rankin. In addition, the Union serves about 25 other large industrial plants along its line and performs switching service for six railroads with which it connects at 21 interchange points. It also handles raw materials and steel

products for many mills and operates a mill-waste disposal service at various points.

Timetable directions on this road are north and south, but in the description of this project the cardinal points of the compass are used, except when referring to track directions.

The Old Arrangement

Near East Pittsburgh, the tracks of the Union pass through Turtle Creek valley, a ravine approximately 700 ft. wide, which at this point lies in a general east and west direction. Along the north side of the valley are five tracks of the Pennsylvania's main line between Pittsburgh and Philadelphia, while extending along the south side are the Pennsylvania's Port Perry branch and East Pittsburgh yard, and a number of tracks of the Baltimore & Ohio.

The tracks of the Union approach the valley from the north, and in crossing it they negotiate a wide curve to the right so that when they reach the south side of the valley they are approximately parallel with the creek, lying roughly in an east-west direction. The line passes over the Pennsylvania's five-track main line on a bridge, known as the Brinton bridge, and is carried across the valley and creek on an extensive bridge-and-viaduct structure. In the old layout, the main line of the Union was double tracked on each side of the valley, but from a point 700 ft. north of the Brinton bridge to a point 200 ft. west of the viaduct, it was single track. This track was known as the High Grade. At a point beyond the viaduct on the south side of the valley, the old facilities included a bridge to carry the main line across several tracks of the B. & O.

A second track, known as the Low Grade, extended southward from the end of the double track north of the Pennsylvania crossing. This track, located west of the High Grade, was parallel with it and on the same level to a point immediately south of the bridge over the Pennsylvania. From here it descended on an inclined viaduct, which was immediately adjacent to and parallel with that of the High Grade, until it reached the south side of Turtle Creek at ground level. This line then recrossed the stream on a structure known as MO-Tower bridge and immediately entered the lead track to what is known as Bessemer yard, located adjacent to the Edgar Thomson Works of the Carnegie-Illinois Steel Corporation.

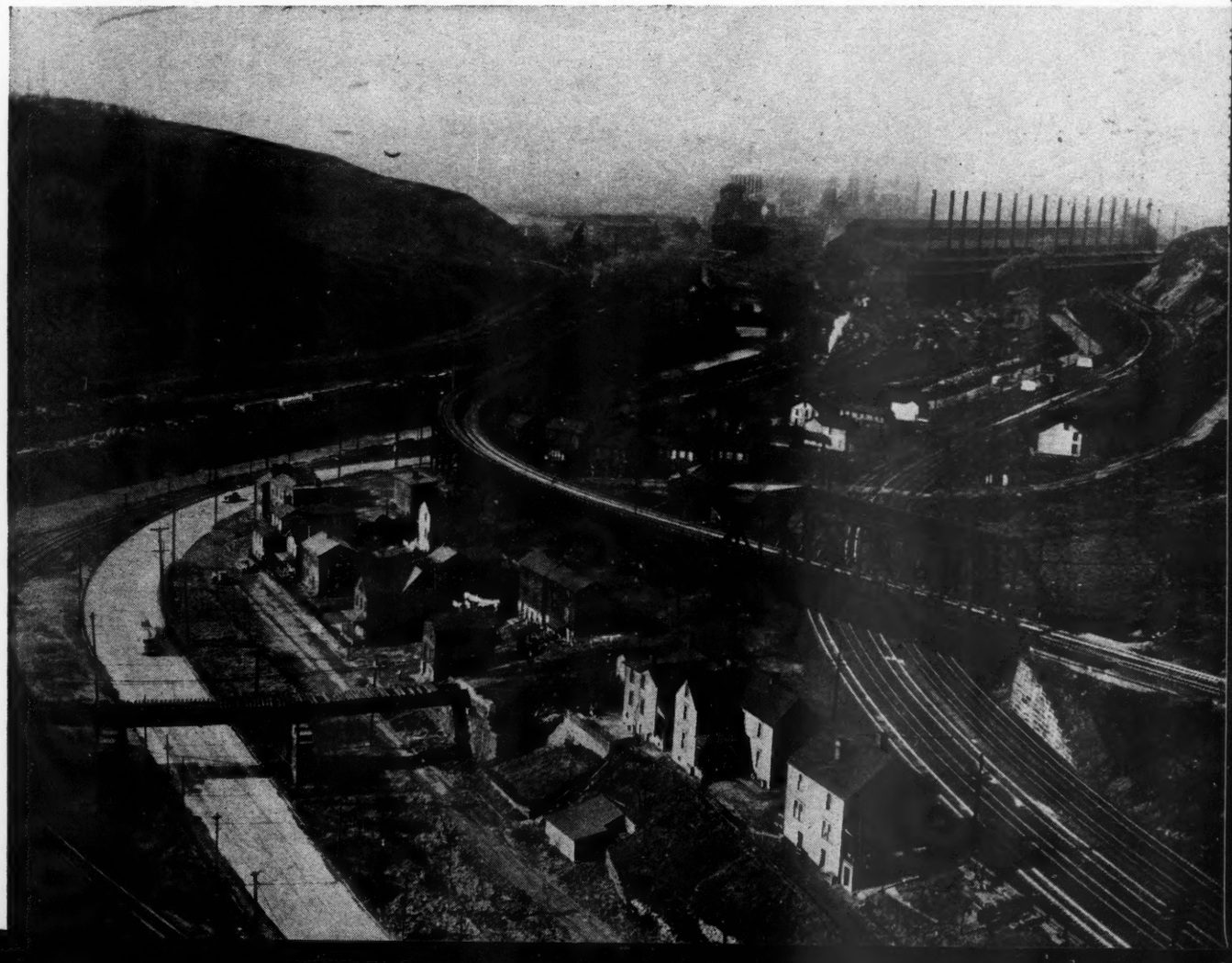
Operating Problems

This arrangement was highly unsatisfactory from an operating standpoint for a number of reasons. First, the movements on the main line were frequently delayed because of the single-track bottleneck of the High Grade, over which a large number of movements were made daily. In October, 1944, a count revealed that this traffic amounted to about 150 trains daily.

Traffic on the Low Grade was also heavy, amounting to about two-thirds of that on the High Grade. On many occasions movements on the Low Grade were delayed by switching operations at Bessemer yard, and when this occurred other trains destined for the Low Grade were required to wait on the main track, causing delays to other main-line movements.

Also it was frequently the practice for main-line trains with set-offs for Bessemer yard to leave a part of the

This general view of Turtle Creek valley, looking west, was taken before the improvement program was started. The single-track main line of the Union crossed the valley on the viaduct in the foreground. Tracks at the right are those of the Pennsylvania's main line



trains waiting on one of the main tracks until the set-offs were made. Not only did this practice cause a main-line track to be blocked temporarily, but when the set-off movements were delayed by switching at Bessemer yard it caused serious congestion on the main line.

Interchange Movements

Trains from Bessemer yard destined for ultimate southward movement on the main line have to make a northward reverse movement on the main line from the end of the Low Grade before proceeding. Under the old arrangement this caused many delays to other main-line traffic because of the single-track bottleneck.

At the same time, trains leaving Bessemer yard were frequently delayed by traffic on the main line. When this occurred, it caused serious interference with other switching operations, because the steep grade on the viaduct made it necessary for these trains to wait in the vicinity of the yard.

Another difficulty arose in the interchange of traffic with the Pennsylvania's East Pittsburgh branch. This traffic was handled at Valley yard, which lies immediately east of Bessemer yard, over an interchange track which connected with the west end of Valley yard in such manner that interchange movements fouled the lead tracks of both yards, requiring that all other switching in the vicinity be stopped until the switch-back interchange move was completed. All of these objectionable features of the old arrangement under even moderate traffic, as well as others not mentioned, were aggravated by an unprecedented increase in traffic during the war.

After much consideration, it was decided to make certain track changes in the valley to eliminate the objectionable operating features, and, at the same time, to substitute new structures, capable of accommodating modern rolling equipment, for the existing bridges and viaducts. Initiated in 1944, this work was approved by the War Production Board because of the importance of the Union's activities to the war effort.

The most extensive changes in the layout involved the double-tracking of the main line across the valley, and the construction of new viaducts for both the High Grade and the Low Grade tracks. The new High Grade was constructed on an off-set alinement about 50 ft. east of its original location, while the new Low Grade was placed on an alinement entirely on the north side of Turtle creek. Other important changes included the extension of the Low Grade track northward for 800 ft., and the construction of a new track for interchange with the Pennsylvania's East Pittsburgh yard south of the creek, this track providing a direct route to the east end of Valley yard.

In these changes four important bridge structures were built, including a new truss span to carry the two main-line tracks and the Low Grade over the five main-line tracks of the Pennsylvania, a double-track deck-truss bridge and viaduct structure to support the main line over much of the remainder of the valley, a single-track deck-girder viaduct for the Low Grade, and a single-track deck-girder bridge to carry the new Pennsylvania-Interchange track over Turtle creek.

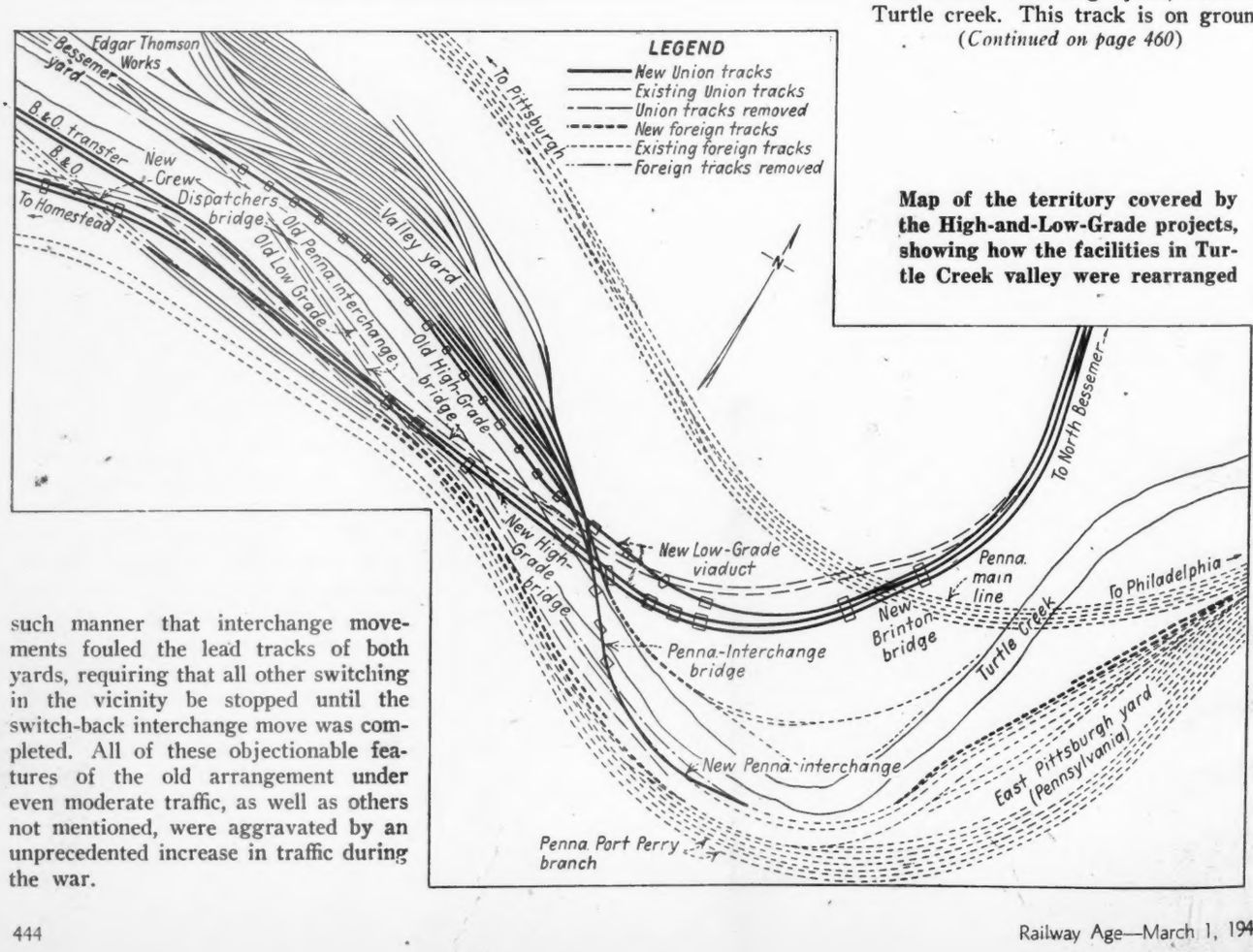
Other changes included the installation of reverse signaling on both main-line tracks, and the adjustment of an existing connection with the B. & O. tracks on the south side of Turtle creek to conform to the new layout. Also, a new double-track through-girder bridge was built to carry the relocated main line across the B. & O. tracks.

Construction Steps

The construction of this project presented many difficulties, some occasioned by the necessity of continuing all operations while the work was being carried out, while others were caused by the congestion which prevailed in the vicinity. The work was undertaken in four distinct steps, each of which had to be carried to completion before the following step could be progressed to any great extent.

The first step involved the construction of the new Pennsylvania-Interchange track, which extends from the east end of Valley yard to the Pennsylvania's East Pittsburgh yard, south of Turtle creek. This track is on ground

(*Continued on page 460*)



Map of the territory covered by the High-and-Low-Grade projects, showing how the facilities in Turtle Creek valley were rearranged

Young Launches New Organization

Federation for Railway Progress seeks million members from among railroads, security holders, unions and general public, and aims to implement national transportation policy

By WALTER J. TAFT
Washington Editor

ROBERT R. YOUNG'S Federation for Railway Progress was formally launched by the chairman of the Chesapeake & Ohio and Alleghany Corporation at a February 24 press conference, held at the C. & O office in Washington's Transportation Building, where the headquarters of the Association of American Railroads is also located. The federation, which will include in its membership railroads, railroad security holders, railroad labor organizations and the general public, will have an independent advisory committee headed by Edward R. Stettinius, Jr., former Secretary of State, while the program and management will be centered in an executive council with Mr. Young serving as its chairman until the first annual election.

Questions asked by reporters attending the press conference afforded Mr. Young the opportunity to express his views with respect to current railroad problems and various phases of railroading. In such responses he criticized the railroad reorganization and rate policies of the Interstate Commerce Commission; advocated railroad consolidations in the interest of efficiency and economy; called for modernization of passenger services and facilities; and found the outlook for railroad traffic "brilliant" if the country behaves "with any degree of sanity."

Supports Transport Policy

The stated purpose of the new organization is to further the national transportation policy as set forth in the Interstate Commerce Act. "It will," the announcement said, "encourage free competitive enterprise in the interest of the traveling and shipping public, the railroads, their employees and the national defense. Convinced that the inefficiency of present railroad managements and their indifference to progress have reached a point where insolvency and socialization of the railroad industry threaten the public welfare, the federation proposes to muster public opinion to revitalize the American railroad system, and restore courtesy, efficiency and earning power to the railroads."

The C. & O., New York, Chicago & St. Louis, and Pere Marquette, which partially withdrew from the A. A. R. last October, will be charter railroad members of the new federation. In response to a question, Mr. Young stated that he saw no reason why railroads should not belong to both the federation and the A. A. R. The C. & O., Nickel Plate and P. M., as he put it, still belong to the A. A. R., except for their withdrawal from activities whereby "railroads decide what not to do." By way of example, he said further that the federation would not want to compete with such "constructive" A. A. R. activities as those of the Car Service Division.

The federation's goal is to secure one million members, according to Mr. Young, who sent out two February 24 letters to prospects — one to railroad presidents and the other "an open letter to all those seeking railway progress." Also, Mr. Young made a personal appeal for labor participation at a meeting of the Railway Labor Executives' Association, which was being held in Washington on the 24th.

The "open letter" recalled that a promise of the federation was made when the Young roads announced their partial withdrawal from the "banker-dominated" A. A. R. "The federation," the letter also said, "proposes to muster public opinion to revitalize the industry. The C. & O.'s now famous 'hog' advertisement led to America's first coast-to coast passenger service; the 'black market' advertisement eliminated illegal traffic in sleeping car reservations; and the 'pay-as-you-go' advertisement inaugurated a system which eliminated the ticket-window annoyance. With the help of public opinion, C. & O. brought about competitive bidding for railroad securities, and is now waging a campaign to increase rail travel through improved service and equipment, coupled with more aggressive advertising and promotion. There is no needed railroad reform which an aroused public opinion cannot achieve."

Minimum dues in the federation will be $2 per year, the amount to be paid by "any interested person" who becomes a "member." Owners of railroad securities may become "contributing members," paying minimum annual dues ranging from $2 when the value of their holdings is less than $5,000 to $50 when the value of their holdings is more than $50,000. Annual dues will start at $100 for "institutional memberships" such as those of brokers, banks, investment houses, investment trusts, shippers, insurance companies, etc. "Sustaining memberships" will be those of railroads, railroad supply companies and railroad labor unions, the annual dues here starting at $1,000 according to the prospectus.

Dues for Labor Unions

In the latter connection, however, Mr. Young stated that consideration was still being given to the matter of dues for labor unions, one suggestion being that they be put at two cents per member with a minimum of $100 and a maximum of $5,000. He also stated that the combined annual dues paid by the C. & O., Nickel Plate and P. M. would amount to about $90,000; and that the Alleghany Corporation would also join, paying annual dues of about $25,000.

The advisory committee which Mr. Stettinius heads will include also the following, who have thus far agreed to serve: Admiral William F. Halsey; Clare Boothe Luce, former member of the House of Representatives, and wife of the publisher of "Time", "Life", and "Fortune" magazines; Charles Edison, former governor of New Jersey; Philip LaFollette, former governor of Wisconsin; Albert S. Goss, master of the National Grange; and M. Lincoln Schuster, New York publisher. As noted above, Mr. Young emphasized that the advisory committee will be an independent body which may make recommendations or publish views at variance with those of the federation.

Meanwhile, he anticipates that the advisory committee will guide the federation in the way of proceeding in the public interest. It is not Mr. Young's idea that various members of the advisory committee should be regarded as representing special interests. He explained, for example, that he would not expect Mr. Goss to regard himself as a representative of agriculture, nor Mrs. Luce to consider herself a repre-

sentative of the publishing industry. Advisory committee members will serve without compensation, except, perhaps, for what Mr. Young called "some nominal fee to recognize attendance at meetings."

Will Publish Magazine

The executive council, which will manage the federation and execute its program, will be composed of one representative each from the five membership classifications. Initial council members, appointed by Mr. Young, will serve until the first annual election. The federation will maintain headquarters at Terminal Tower, Cleveland, Ohio, "where operations of a complete staff are already under way." It will publish a monthly magazine, "Railway Progress," the first issue of which will appear March 1. The membership dues include a subscription to this publication.

The formal statement in the prospectus says that, in its undertaking to implement the national transportation policy, the federation will take action:

1. To inform the public about all matters pertaining to American railroads, and particularly to keep before them the facts regarding any deterrents to the full accomplishment of the purposes of the federation.
2. To modernize railroad equipment and facilities and otherwise improve railroad passenger and freight services so that the public will have available a more efficient transportation system in the interest of the national safety and the public convenience.
3. To bring about an equitable balance among wages, return on investment and rates in the railroad industry so that employees, investors, and the shipping and traveling public will all receive fair treatment.
4. To staff railroad management with progressive, energetic, efficient personnel who have full confidence in the future of railroads in the United States.
5. To abolish monopolistic practices and bring about the return of free enterprise to the railroad industry.

Mr. Young read the foregoing and then proceeded to answer questions, the first of which included inquiries as to the federation's prospects for labor memberships. His plan to meet with the Railway Labor Executives' Association later in the day was then revealed by Mr. Young, who went on to say that he had indications of "very distinct interest" on the part of the unions. He added that he was "particularly hopeful" that the unions would participate, for he feels that there is a "large area for constructive cooperation" between labor and management.

Federation vs. A. A. R.

With respect to the invitations sent to railroad presidents, Mr. Young said that he would be as interested as the assembled reporters, "perhaps more so," in the results. Asked what the federation will do that the A. A. R. does not do, he replied that it will "give a voice" to railroad stockholders, employees, shippers, travelers, etc. And, he added, "we won't do what they do—lobby for non-competitive practices." Meanwhile, Mr. Young agreed with a questioner's suggestion that the federation will lobby for "competitive practices." On such matters as the proposed St. Lawrence seaway, it plans to rely on the advice of its advisory committee, hoping never to be "selfish for the railroads" unless such a position is also in the public interest. However, Mr. Young's own view is that government expenditures of "millions" on waterways are not in the public interest.

He went on to observe that Congress is now considering appropriations to make air travel safer, and is hearing arguments to the effect that the air lines would be forced into bankruptcy if they were required to make such expenditures themselves. This prompted Mr. Young to declare that the Interstate Commerce Commission "didn't hesitate to let 35 railroads go into bankruptcy."

Later on, he identified the I. C. C. as the "chief culprit" in the car-shortage situation. He told of having visited the commission "repeatedly" and coming out "coated with gloom." The commission, he went on, has taken the position that the railroads are "overbuilt." He said further that he has had commissioners tell him that the commission's "prophecies of doom" as reflected in reorganization plans would come true. In reply, Mr. Young said he had told the commissioners that they allowed a situation to develop since 1933 wherein wages and costs of fuel and supplies went up while the I. C. C., "which is commissioned to keep railroads sound, allowed rates to remain below 1933."

S. E. C. Should Investigate

With respect to commission action in reorganization proceedings, he asserted that it is "a travesty on justice" to give an agency power "to wipe out capital on the ground that it is not earning anything," and then vest in the same agency power "to see that it doesn't earn anything." When the commission exercises such powers "the way they do," Mr. Young added, "it is a bigger fraud than Wall Street ever committed." In this connection he suggested that the I. C. C. should be investigated by the Securities & Exchange Commission.

He rapped the I. C. C. again when he asserted that it had been "stalling" on the C. & O.-P. M. merger proceeding; but "when the bankers wanted an opinion" in the Pullman acquisition case in advance of the Supreme Court's ruling, the commission "dusted around and even worked Sundays" to get out the proposed report. Another shot at the commission came in Mr. Young's reply to a question as to whether he had heard from the regulatory agency with respect to Alleghany's purchases of New York Central stock. "No," he replied, "but I think they're agitated over there, because they get agitated when the bankers get agitated."

Mr. Young took no position on the matter of transport "integration," but he had views on the pending Reed bill to stay the operation of anti-trust laws with respect to carrier rate bureaus and other joint-action arrangements approved by the I. C. C. "As introduced," he said, "it was against the public interest and would have insured that we wouldn't have progress in railroading. Railroads could agree on whether or not to have flowers on dining-car tables, and past experience would indicate that they would not have flowers."

As to railroad earnings, Mr. Young stated that the country cannot have the "vast superiority" of transportation it requires with the earning situation of 1946. He thinks an average return of 6 per cent might be more than the railroads need, but stressed the necessity for earnings higher than 6 per cent in good business years (like 1946) in order to permit the accumulation of "fat" for lean years. On the matter of capitalization, Mr. Young asserted that "not a single railroad" today is overcapitalized. He called the charge of overcapitalization "the bunk," adding that the industry as a whole is "greatly undercapitalized."

"Worst" Trouble

When asked what he regarded as the "worst thing" wrong with the railroads, Mr. Young replied that it was "a race between Wall Street control and regulation in Washington—they are running neck and neck and I don't know who's ahead." Government ownership of the railroads would soon bring about the end of the whole private enterprise system, Mr. Young said in reply to another question. His views as to railroad consolidations include an opinion to the effect that there probably should not be more than 25 Class I roads in the country. For the East, he favors a three-system plan, the systems to be built around the Pennsylvania, Baltimore & Ohio and New York Central.

He would not express an opinion as to the need at this time for a further general increase in railroad rates; he would want to "look the situation over carefully" before doing so. He did anticipate, however, that the new federation would get into the matter of territorial rate differences, it being Mr. Young's own view that there may be "merit" in criticisms of the present rate

structure which come from the South and West. The railroads, he said, should have done something about this matter, as the federation proposes to do—"or prove to the West and South that they're wrong, which I don't think we can."

Mr. Young's interest in a transcontinental railroad system, he said, developed as a result of his desire to have through coast-to-coast passenger service established. In this connection, he added he has received credit which he didn't deserve because the railroads are not running what he regards as a genuine through service; but "only some token cars which are delayed six hours" in the yards at Chicago. Asked if a union passenger station were needed in Chicago, he replied in the affirmative, adding that such a station should have been built "in the years when Mr. Roosevelt was looking around for boondoggles." He went on to say that the country might not have had a depression "if the railroads had a few boondoggles of their own."

Could Spend "Billions"

The latter prompted an inquiry as to what amounts might now be spent by the railroads. And Mr. Young replied that as much as $1,200,000,000 could be spent immediately to modernize passenger services. He thinks the railroads have adequate track capacity, but at the same time believes that "billions" could be spent on the improvement of grades and curvature and on by-pass lines around cities to avoid congested areas. As to "featherbed" rules, Mr. Young said that any working rule which restricts production injures labor more than capital; but he emphasized that he was not talking about rules designed to increase safety, to provide free uniforms, etc.

He said that he did not control the New York Central, but he preferred to avoid discussion of reports that he was about to be elected to membership on that road's board of directors. If N. Y. C. is brought into his group of roads, Mr. Young said that the Nickel Plate would be offered to the Pennsylvania, and he expressed the hope that P. R. R. would buy it. Reports that Great Britain's former king, the present Duke of Windsor, had invested in Young enterprises were denied by Mr. Young. He would be "surprised" if the duke would do so, but would "welcome" him.

Presentation to Labor

In his appearance before the meeting of the Railway Labor Executives' Association, Mr. Young read a prepared statement which opened with a reference to the recent "Atlantic Monthly" article wherein he had said that "both labor and capital are as naive as Little Red Riding Hood in carrying their problems to the state, because the state was waiting to gobble them both up." The statement went on to recall that the "Atlantic" article had also said that "legislation has never been constructive *per se;* that it was always the choice between two evils." The presentation then proceeded as follows:

Both labor and capital have been short-sighted and have brought this house down about their own ears, and unless they both want to end up behind the eight-ball, where they are in most other nations in the world, it behooves them to get together pretty fast and go to work without the intervention of the state on behalf of either side.

I know that this has been difficult in the past, because employers in this country have gone through three stages in their attitude toward labor unions: Bust them; tolerate them; horse-trade them. The time has long since come for the fourth stage in this evolution: Collaboration on a level of equality—the prime objective being the good of the whole, not of either part.

In the railroad industry there are non-controversial areas where labor and management should start immediately: (a) To modernize personnel practices; (b) to speed up the settlement of grievances; (c) to train employees more effectively; (d) to modernize and improve equipment and service; (e) to promote railway travel and traffic.

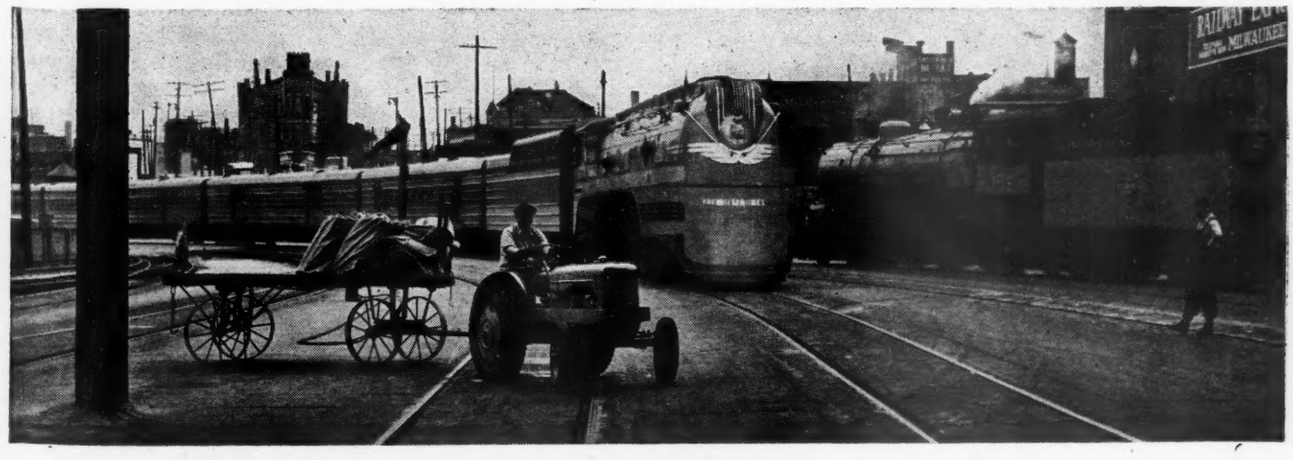
I have read your thought-provoking Program and Objectives, under date of May, 1946 [see *Railway Age* of November 30, 1946, page 922], with a sincere desire to get the benefit of your point of view and am particularly impressed with your wish to cooperate. I am sympathetic with your objective of bringing security to the rank and file, which you refer to as a guaranteed annual wage. Here is the Achilles Heel of Free Enterprise. Here you have been much more far-sighted than has management. Here is where labor and capital both threaten to succumb to the mercies of the state in the next depression, to be completely taken over as they have been in so many other countries.

Many business men fear that the government is already well along with its plan for spending *our* money wastefully during the next depression in projects, mostly unproductive, many to entail permanent additions to the public payroll. They doubt whether the capitalistic system can survive another decade of such boondoggling. But what about business itself? Does it have any plans of its own? Why not forestall the state by capital and labor getting together and advertising the fact that we do not propose to allow ourselves to slide into another depression, that enough heads of families will be employed *productively* in one job or another to make the next depression impossible? Not even the heavy industries can afford to neglect the all-essential problem of level employment of heads of families.

Our new Federation for Railway Progress will urge the railroad industry to lay out a program of capital and other improvements which, with the cooperation of labor, will keep the number of men it presently employs usefully working at living wages for at least three years in the event a depression does come. It is my belief that if every industry did likewise, a depression never could come—such would be the confidence of business and the housewife.

It is to make this and many another new area of collaboration possible that the federation is today tendering you this cordial invitation to become a charter member of an organization dedicated to ever-continuing railway progress.

* * *



The Milwaukee's streamliner, the "Hiawatha," is met by an Allis-Chalmers tractor

Loud-Speaker Yard Communication on the Kentucky & Indiana

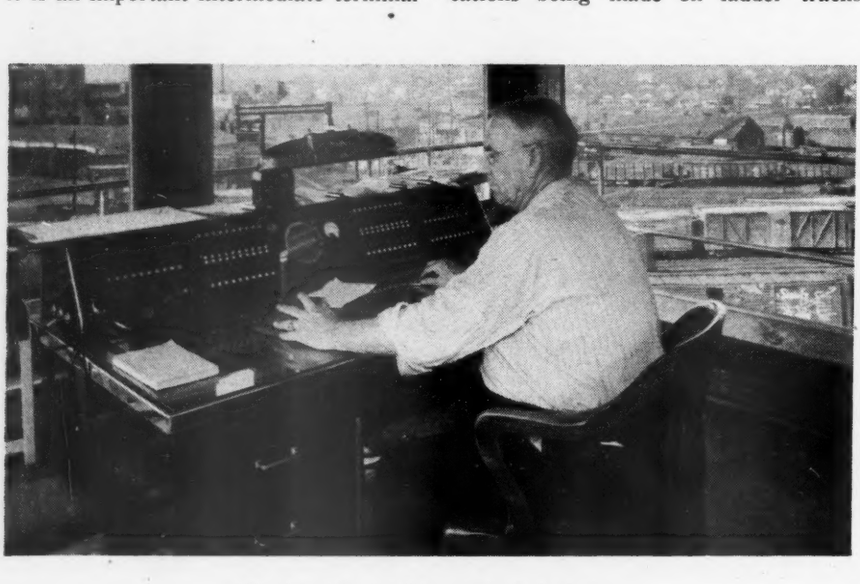
Yardmaster in an elevated tower has direct supervision of all activities so that he can coordinate operations, thereby increasing capacity of existing track facilities

As a means of facilitating the operations of a large flat yard, known as Youngtown yard, in Louisville, Ky., the Kentucky & Indiana Terminal has installed a loud-speaker system by means of which the yardmaster, in an elevated tower, can closely supervise the work of the foremen in charge of the crews switching in various parts of the yard. As a result of the installation the capacity of the yard has been increased to handle more cars, trains are being made up to depart on schedule, and cars which formerly would have been delayed are now making connections.

The Kentucky & Indiana Terminal, a joint property of the Southern, the Monon and the Baltimore & Ohio, owns the bridge across the Ohio river between New Albany, Ind., and Louisville, as well as Youngtown yard and an extensive network of tracks which connect with various other railroads and serve 256 industries in the Louisville area. For freight trains, this yard is the southern terminal of the Monon from Chicago. For the B. & O., it is the terminal of a line 57 miles north to North Vernon, Ind., where connection is made with the east-and-west main line between St. Louis and Baltimore. For the Southern, it is an important intermediate terminal on the east-and-west line between St. Louis and Danville, Ky., where connection is made with the north-and-south line connecting Cincinnati, Chattanooga, Atlanta and New Orleans.

Each day the Monon operates four scheduled through freight trains and two local freights out of this yard and the same number of trains inbound. The Southern operates an average of 9.25 outbound and 9.67 inbound freight trains daily on the Danville end, and 10.4 inbound and 10.4 outbound freight trains daily on the St. Louis end. Thus the Southern has about 20 trains in and 20 trains out of the yard daily. The Baltimore & Ohio has two through freights and two locals outbound, and the same number inbound each day. Numerous movements by yard crews tc deliver cuts of cars to connecting roads or to industries, as well as incoming moves of this nature, are being made all the time. For example, about 200 cars are delivered daily to the Louisville & Nashville. The traffic through the yard averages about 5,000 cars daily, i. e., 2,500 cars in and 2,500 cars out. Frequently as many as 6,200 cars are handled daily.

Youngtown is a flat yard, the classifications being made on ladder tracks connected to lead tracks. The yard layout as a whole includes several of these ladder arrangements, so that the work of classifying incoming trains and making up departing trains can be under way simultaneously at various locations. Up to 400 cars are classified in each trick of eight hours on the main lead at the south end of the yard.



Yardmaster at his control desk in the office atop the 60-ft. tower

Yard Operated by K. & I. T.

The Youngtown layout, which is more than a mile long, with 67 yard tracks, consists of yards which, in the early days, were owned and operated separately by the Southern, the Baltimore & Ohio and the Kentucky & Indiana Bridge & Railroad Company, with additional tracks built since the Monon came into the organization. Locomotives and crews of the Kentucky & Indiana Terminal perform all the switching service in the yard, as well as service to industries and deliveries to connecting lines, the Louisville & Nashville, the Illinois Central, the Pennsylvania, the Chesapeake & Ohio and the Big Four. Each yard crew consists of a foreman, two helpers, an engineman and a fireman. The work of each crew is under the direction of the foreman, whose title corresponds with that of the conductor of the crew of a road train. On the average, about 19 such crews are employed in the yard on the first trick each day, about 14 crews the second trick, and 14 crews the third.

Under the previous method of operation, waybills, switch lists and messages were carried by messenger service between the various offices and the foremen of the yard crews, as well as to and from the conductors of arriving and departing road trains. The work of the yard crews was under the supervision of a yardmaster and two assistants, who spent most of their time walking all over the yard to locate crews or individuals and to direct operations. Such methods resulted in numerous delays, with the result that switching and other services, such as icing cars, frequently could not be completed in time for trains to depart on schedule with all the cars they were supposed to take. The capac-

ity of the yard could not be increased by adding more tracks because space was not readily available. The only logical solution, therefore, was to use the existing track arrangements more intensively, and an analysis indicated that this could be accomplished by installing a loud-speaker inter-communication system, together with pneumatic tubes to transmit waybills and train consists.

Loud-Speaker System

In the new communication system, the yardmaster is located in an office on a steel tower 60 ft. high, placed centrally in the yard where he can see the operations under way in practically all of the yard. Floodlights provide adequate illumination for operations at night. On the yardmaster's desk is a loud-speaker and microphone which, by means of small keys in a desk-type cabinet, can be connected to any one of a number of talk-back speaker locations. At most of these locations the speakers are on 9-ft. pipe masts along the track leads where the yard crews are working. Other talk-back speakers are located in the yard office, at the ice track dock, and at the switches where road trains enter and depart from the yard.

When the yardmaster wants to talk to the foreman of a crew that is working on a certain lead, he operates the key corresponding with the circuit to the talk-back speaker location nearest that crew. He then presses his push-to-talk button and speaks into his microphone to call the name of the yard foreman. He then releases his push-to-talk switch and listens to his own loud-speaker to hear the incoming answer to his call.

At the field location, the talk-back speaker reproduces the call being sent out by the yardmaster, so that the foreman, if within a range of 50 ft. or more, can hear. Then when the yardmaster releases his push-to-talk switch, the talk-back device at the field location picks up the reply of the yardman, who may be 20 to 30 ft. away, and transmits it to the tower where it is reproduced in the speaker on the yardmaster's desk. Thus the same talk-back device at the field location, as well as the circuit to the tower, serves either outgoing or incoming, depending on the operation of the push-to-talk switch on the yardmaster's microphone, but with no such action required by the yard foreman. When the conversation is completed, the yardmaster returns the key, corresponding to that field location, to its normal position.

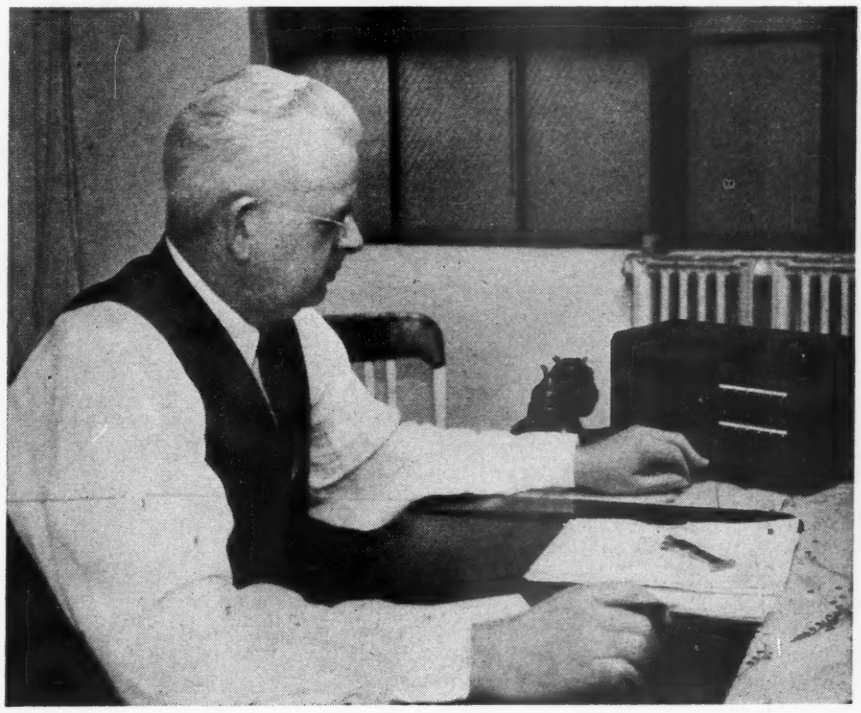
When a yard foreman wants to initiate a conversation with the yardmaster he operates a push-button on the pipe mast supporting a talk-back speaker, and this action sounds a buzzer in the tower and lights a white lamp under the small key corresponding to that field location. When the yard foreman removes his finger from the button, the operation of the buzzer ceases, but the lamp stays lighted until the yardmaster is ready to answer the call, at which time he throws the small key above the lighted lamp, presses the push-to-talk button, and speaks into his microphone, thereby starting a conversation to be carried on as previously explained. When the conversation is ended the yardmaster returns the small key to normal position before he gives attention to any other call.

The talk-back speakers are on pipe masts located along the track leads

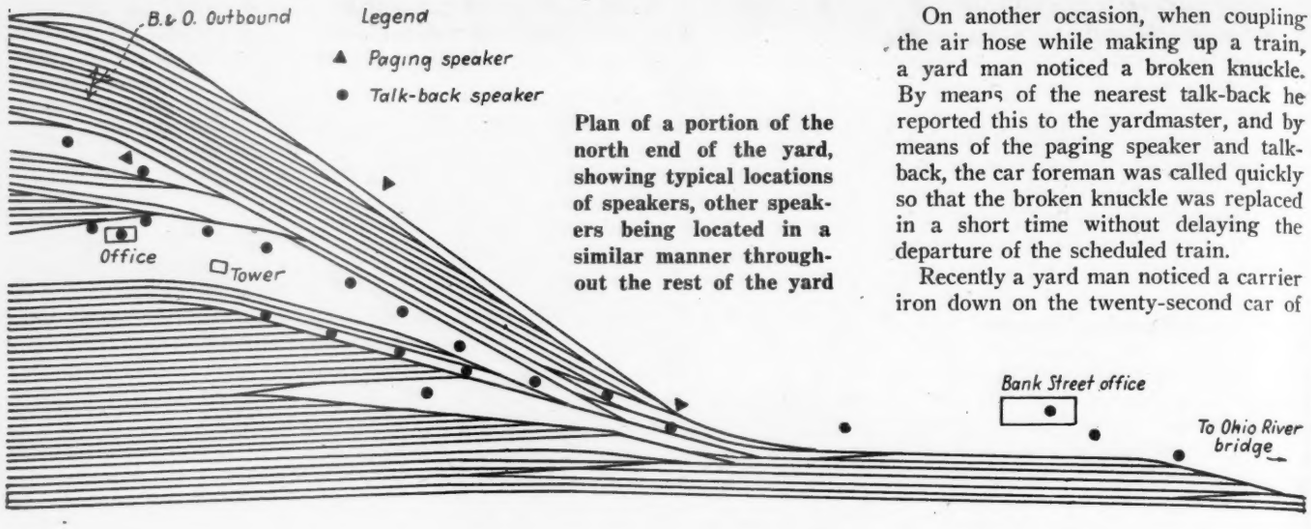
Also connected to the yardmaster's panel are talk-back speakers in yard offices at the center of the yard, as well as at Bank street near the north end, and at Market street near the south end. Other such talk-backs are located on the ice platform, in the locomotive shop, near the car foreman's office, and at the headquarters of the track crew.

Use of Paging Speakers

Ordinarily, when the yardmaster uses a talk-back speaker to call a man at a location where he is supposed to be working, the man replies promptly. If the yardmaster wants to talk to some foreman or other person whose exact whereabouts is not known, he uses a paging speaker to broadcast a call over a large section of the yard. These are large-size, high-power speakers on poles about 60 ft. above ground, by means of which the voice transmitted can be heard several hundred feet. At each of five locations there are two paging speakers, pointed in opposite directions, and at each of two other locations there is a single speaker. On the dispatcher's panel is a row of small keys, each of which corresponds with one of the several paging speaker locations. By throw-



By means of a unit on his desk, the superintendent can listen to conversation on the yard system



Plan of a portion of the north end of the yard, showing typical locations of speakers, other speakers being located in a similar manner throughout the rest of the yard

ing one of these keys, the yardmaster can use his microphone to send a call out on the corresponding paging speaker. In case of an emergency, such as a runaway car or fire, he can operate a special key and send out a call over all the paging speakers simultaneously.

The superintendent's office is in a building at Bank street, and on his desk there is a monitoring set. By throwing a small switch this set is cut into service so that its loud-speaker reproduces all conversations between the yardmaster and any of the talk-back speaker locations throughout the yard. By listening "with one ear," the superintendent has a general idea of how operations are progressing. If he hears discussion of some important matter, he can enter into the conversation by pressing a push-to-talk button and speaking directly into the talk-back in this set.

For example, on one occasion, in accordance with previous instructions, the yardmaster was issuing directions for a crew to make a special run to take an express car from the yard to the passenger station. The superintendent had just learned that the car would not be needed as soon as had previously been expected and that the delivery could be handled on a regular switch run sometime later. Accordingly, he broke in on the conversation between the yardmaster and foreman, thus saving an extra trip to the station for a yard crew.

As a part of the improvement program, a pneumatic tube system was installed to transmit waybills, train consists, switch lists and messages between various yard offices and the yardmaster's office. With this system, for example, when a train arrives, the waybills are delivered to an office near the yard entrance and are transmitted quickly by tube to the main office. Here they are sorted and switch lists are made up to be sent by tube to the yardmaster's office in the tower and to the different yard offices where they are handed to the foreman of the yard crew that is to classify the cars, or make other switching moves required. Some cars may have to be taken to the ice dock to be iced, and other cars to the repair track, all of which require special assignments to crews under the direction of the yardmaster. At the same time other crews are being assigned to make up departing trains, or to pick up cuts of cars for delivery to connecting railroads or to industries.

Advantages for Supervision

The talk-back speaker system is a means whereby the yardmaster has minute-to-minute direct supervision of the work of all the crews in the yard. When placing cars on a classification track, the yardmaster may need to know how much space is still available on the far end of the track. By use of the speaker system he gets this information from some foreman who is working at that location. Under previous practice, somebody had to walk to the far end of the yard and return, thus delaying the work of breaking up a train or general switching.

In this and numerous other ways the operations of the yard are coordinated to prevent congestion. For example, when a road train is ready to depart, the yardmaster can clear the leads for the train to pull out promptly. In unusual circumstances, the communication system saves a lot of time, as on one occasion when a broken rail was found on an important lead track by a yard crew foreman and was reported to the yardmaster. The yardmaster, in turn, put out a call on the paging speaker for the track foreman, who answered on a talk-back within two minutes. As a result, the broken rail was replaced within 29 min. after the first report, whereas under previous practice, up to 30 min. or more might have been lost in locating the track foreman.

On another occasion, when coupling the air hose while making up a train, a yard man noticed a broken knuckle. By means of the nearest talk-back he reported this to the yardmaster, and by means of the paging speaker and talk-back, the car foreman was called quickly so that the broken knuckle was replaced in a short time without delaying the departure of the scheduled train.

Recently a yard man noticed a carrier iron down on the twenty-second car of a cut which was arriving from the L. & N. for connection with a scheduled outbound Monon train. He used the talk-back to inform the yardmaster, who put out a call to the car foreman. As a result, the car was repaired in 40 min., thereby getting it out on the scheduled train. Without the talk-back communication the car would have been switched out and delayed.

When an incoming train arrives at the yard entrance the yardmaster uses the loud-speaker system to designate to the crew which track the train is to be pulled in on, and the head brakeman lines up the switches accordingly. This saves time and clears up the leads more quickly than was possible under the previous method of stopping the train while the head brakeman called on the telephone, which nine times out of ten was busy.

The speaker system is also a great help when preparing a train for departure. For example, when pumping up the air and making brake tests, the speakers are used to pass word between the caboose and locomotive, thus saving 10 min. or more if circumstances are such that hand signals cannot be seen from the rear.

In brief, the important advantages of the loud-speaker communication system, compared with an ordinary telephone installation, are that the speakers provide direct voice calls to the person being called, and that the person answers back from where he stands, thus eliminating all of the well-known sources of delays in the telephone system as applied in a yard.

This yard communication project was installed by forces of the Kentucky & Indiana Terminal, under the supervision of H. L. Kincaid, electrical engineer, and under the general direction of C. F. Burrell, chief engineer. From an operating standpoint, the system was planned with the cooperation of C. W. Ashby, president and general manager, and R. G. Claiborne, superintendent.

Public Is Just Waiting to Be Asked

Private enterprise and railroads are popular—Most folks would doubtless favor steps needed to avoid socializing carriers if management will specify what those steps are

By L. F. WHITTEMORE
President, Federal Reserve Bank of Boston

THOSE who would retain free enterprise in this country are faced with no questions of more importance than these two:

1. What is going to be the public's attitude towards the railroads in the future?

2. How much is railroad management going to do to help the situation?

An intimate association with railroad problems has convinced me that the future of the private enterprise system hangs in the balance in this country. Whether the public as represented by the Congress, on the one hand, and railroad management on the other will apply to the solution of railroad problems the statesmanship necessary is a question as yet unanswered. Real statesmanship is required because this far-flung industry is more liable to the depredations of organized minorities, sectional political disputes and the dead hand of bureaucratic regulation than any other.

A Capital Levy

The American railroads have come through the tremendous ordeal of war operation and its immediate aftermath with a reputation of overall efficiency and usefulness. It is surprising indeed that there should be any question as regards the public's attitude toward this great industry. Every governmental agency which had to do with rail transportation during the winning of the war has given repeated evidence of the magnificent performance of the railroads. This has not as yet caused the passage of the Bulwinkle Bill, nor prevented the passage of the Crosser Bill, nor affected the attitude of governmental agencies regarding subsidies for other types of transportation, nor produced any legislation looking towards equality of opportunity in transportation.

The lack of concern in Washington over what might be termed the "fiasco of 1946" is worthy of consideration. Retroactive pay increases were granted early in the year with the full knowledge of everyone concerned that such payments would force most of the railroads into red ink. The regulatory body, however, which is charged with the responsibility of seeing that the owners of railroads get a fair return on their money, did not act on adequate freight rate increases until near the close of the year, and then made such increases applicable only at the beginning of the new year of 1947. This combination of circumstances constituted a capital levy on the industry which was a poor repayment for its magnificent performance during the war.

There are many questions to be decided about the railroads, and those who know the situation should be concerned for their early solution. It seems to me imperative that the Congress of the United States, having in mind the whole mass of transportation legislation now on the books, and realizing that much of such legislation is contradictory as to its purpose, should immediately begin once more the formulation of a thoroughgoing transportation act. Such an act would, among other things, at least seek to establish equality of opportunity among the various types of transportation. Public need, and efficiency in meeting that need, should be the main criterion.

Events of the past twelve months show that the United States alone, of all the major nations in the world, has decided to turn to the right rather than to the left in charting its future. I believe the trend in this respect as evidenced by the elections in November is more far-reaching than most people recognize. I am not talking about party politics. Each party seems to be vying with the other in trying to prove its conservative purpose. I am thinking, rather, in terms of the possible government ownership and operation of the services most important to the public. Of these the railroad network is the foremost.

I have not as yet heard the leaders in Congress or in business acknowledge the responsibility which such a stand by the nation as a whole puts on the management of business. When most business decisions were being made in the bureaus in Washington, business management faced a far different job from that which it does now when most controls have been removed. Private enterprise must rise or fall, sink or swim, on its own. There are indications that some weak-kneed leaders of industry shun the burden and talk of a possible pump-priming by deficit spending if general employment falls off.

If a new and reasonable transportation act can be evolved by Congress, railroad management will face its greatest opportunity. With such legislation it will face such opportunity and responsibility without the excuse of unfair competition which has been a crutch during the past few years. Such a transportation act should not be aimed at giving the railroads a complete monopoly. Rather, it should give the public the right to use that form of transportation best fitted for its necessities, with a fair opportunity to each agency to compete for the business. I prophesy that substantial savings in dollars can be effected under such a transportation act, from the wasteful duplication of facilities and services now being operated. A sensible approach to the problem would be to let each type of transportation do the things for which it is best fitted and to allow adequate but not ruinous competion within such limits.

The Public Always Pays

Vigorous railroad management should be able to convince a public which has turned away from the public ownership view of the leftist theory of government that the country's greatest public utility must have a chance for survival. It is conceivable that public ownership might come about as a necessity in some crisis, even though the general public, the owners and managers of railroads, and even the employees were not in favor of it. The public must be brought to realize that every dollar of money which any transportation company, be it railroad, bus line, air line or other, gets, comes from the public. If by reason of improper regulation or the lack of equal opportunity, or wasteful duplication, that total bill is higher than it ought to be, the public pays.

This article is adapted from an address by Mr. Whittemore to the New York Railroad Club on February 20. It will be recalled that, until he went to the Federal Reserve Bank about a year ago, Mr. Whittemore was assistant to president of the Boston & Maine.

If the public does not pay enough initially, then bankruptcy and public ownership are apt to ensue, and in that case the public pays more and more and more. Railroad management and the friends of the railroad situation should be able to sell the United States, through its Congress, the good business conditions which should come from a fair and intelligent approach to the problem. If the gigantic public debt is paid in the foreseeable future, it will be because the government has done a good job in running the public business. A good job of running the public business includes a fair and sensible approach to such questions of nationwide importance as the railroad problem.

Outmoded Organization

The public attitude and congressional action toward railroad problems, while important, are not the whole story. Railroading is an old industry and certain of the practices which were justifiable when a monopoly existed now need careful reexamination in the interests of more effective competition with other modes of transportation. There are also certain taboos which had their genesis in the days of railroad monopoly, which require study. There are things the management of the railroads can do themselves. Certain of the regulations which had their beginning in the efforts of authorities to protect the public against rebating now constitute a deterrent to business-getting in a competitive transportation economy.

I have sometimes wondered whether our usual type of railroad organization structure is out-of-date in terms of modern production and sales methods. Early in railroad history the separation of the traffic and operating functions came about. I wonder whether it is any longer efficient. Modern industrial practice is to combine the two in such a way as to decentralize the responsibilty for net income. A railroad friend in whose judgment I have a good deal of confidence points out to me that in the present type of railroad organization the only man responsible for a profit is the president himself.

I have often noticed that railroad brotherhood leadership in negotiations with management has the advantage of men who have no other responsibilities than negotiation for more favorable wages or working conditions. They are often met by railroad officers who are burdened with other routine duties which take most of their time. The brotherhood spokesmen are never satisfied and use each victory as a stepping stone towards the next. The recent trend of having in labor negotiations men to represent railroad management who have no other responsibilities is all to the good; and such officers should continually endeavor to make employment agreements more palatable to railroad management.

One of the best things I have read recently is an address "Common Sense in Transportation" delivered by Ernest E. Norris, president of the Southern Railway, before the Traffic Club of Chicago last November. I would like to quote him:

"In only one year since 1920 have the railroads earned as much as 5 per cent upon their property investment, and that was in 1942 when the return was 5½ per cent. During the entire second World War period—from 1941 to 1945—it averaged only 4.22 per cent. For the five years just before the war it averaged 2.22 per cent. And in 1946, although we are handling the greatest peace-time traffic in history, it is estimated that the return upon our property investment will be less than 2 per cent even after including carry-back tax credits. As to dividends to stockholders, even in the years of heavy traffic during the war just closed—despite the rabid mouthings of the professional politicians about huge war profits—they averaged only 2¾ per cent of the par value."

Impatient at Delay

Somehow the public and even the regulatory bodies charged with the responsibilities seem to have forgotten that a continual flow of equity capital is necessary to the long-time continuation of any business. It seems sometimes to the public that the railroads have been long on economy and short on initiative, courage and modernization. In any industry where new money cannot be raised through the sale of common stock, or even preferred stock, money saving as such becomes of tremendous importance, and in the railroad community those companies which have found such economies impossible have generally landed in the bankruptcy courts. The reason for this situation has never been adequately sold to the public, and the public is impatient now that the modern facilities about which so much advertising has been done be available everywhere at once.

It is true that the major railroads of the country have some wonderful trains, and that those trains attract great public interest and admiration, but the problem of management as I see it is to find means of making all railroad equipment modern, clean and safe. That is a big order, but until it is done, until travel by rail is as clean everywhere as it is on the air-conditioned streamliners, until such branch line service as is run equals in comfort and convenience the modern air-conditioned bus, and until railroad employees can meet the public and are as clean, courteous and obliging as employees of air lines are supposed to be, there is still a great frontier open to conquest by railroad management.

Railroad management has given much attention in the past to the inequalities of opportunity brought about by the virtual subsidies allowed the highway carriers and the air carriers, not to mention the inland waterways. Judge Fletcher's Committee on Transportation, of which I was a member for some time, joined in the financing of a study by the Division of Research of the Harvard Business School, having to do with the cost and operation of airports. The job was ably done and not only covered the situation as it is, but charted the course for the future in this respect. I recommend that steps be taken to get highway transportation companies interested to join with the railroads in a similar study to establish highway costs. Each side in the long-drawn-out controversy has made studies on highway costs and the relation of heavy trucks and buses to such costs. Let's try to arrange a study to end all such studies, permitting the results to fall where they may, and go on from there. A lot of time will be saved and a lot of money saved. It ought to be possible to get disinterested persons to give their opinion after study of these matters in such a way that the facts will speak for themselves. Only in this way can the public interest in these controversial questions be accurately determined.

Some Explaining Needed

It is going to be necessary some time soon for railroad management and railroad labor to get together and do a little unselfish arranging for the benefit of the industry. I believe the average railroad man wants to do a fair day's work for a good day's pay, and I know the average manager wants to pay a good day's pay, together with such other frills of modern employment management as are really helpful to the employee. On the other hand, the so-called featherbed rules in existence on many of the railroads cannot last if the companies are to succeed in escaping public ownership. It ought to be possible to explain to railroad employees that they are better off working for private corporations than they would be if featherbed rules force government ownership.

I have found it rather interesting at times to ask some of the higher-paid railroad employees whether they felt they were better off than, for instance, employees of the Post Office Department, and nearly every one of them has stated he felt he was. I don't think it would be necessary for the individual employee to give up much of the benefit derived from featherbed rules to make

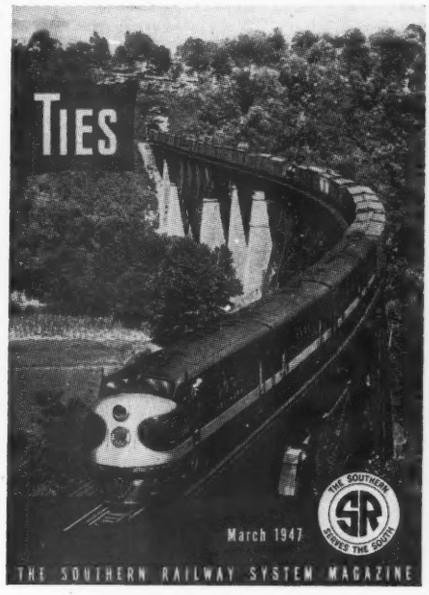
railroad operation more efficient and more economical, and thus mitigate the danger to him of government ownership.

Great sums of money are going to be necessary thoroughly to modernize the railroad plant of the country. If equality of opportunity can be established, if railroad labor can be convinced as to where its real interest lies, and if regulatory authorities will only take seriously their duty to help assure a return on railroad capital, the needed investment money will doubtless be made available —and not wholly from enlargement of railroad debt but from the sale of shares denoting ownership in the equity remaining in the properties after the debts are subtracted. Generally speaking, the cash situation of the railroads is such that a little encouragement along this line could have far-reaching results.

The two suggestions I have made look toward the settlement of disputes of long standing: First, equality of opportunity to be outlined in a new transportation act, recognizing that railroads no longer have the same type of monopoly they originally had; and second, a study of highways costs by an able and disinterested third party which will show the states what is needed to give the railroads a fair competitive opportunity if they are not now getting it.

In addition to this, railroads will benefit by greater cooperation with each other. Such cooperation is carried already to great lengths in some respects, but there are opportunities in this direction for still further economies and improvements in service. I am not afraid of the future of the railroad industry if these steps are taken. It will fight its way out of its difficulties for the benefit of all of us. To date, I think the industry richly deserves favorable consideration on the part of everyone. To get such favorable consideration, once it is deserved, is largely in the hands of railroad management and constitutes a challenge as great as any challenge the industry has ever faced, even including the one of World War II.

he told his fellow workers of their "vital interest in all railway matters and especially in helping to solve the many problems confronting us in these critical times."



Newest Employee Magazine

Southern Starts Magazine

March issue introduces "Ties," to give "complete and accurate information" about the company and the railroad industry

THE Southern's "Ties," a new monthly magazine designed to give "complete and accurate information about the system and about the industry of which it is an important part," was launched this week when the first issue, the March number, was distributed to employees and officers of the road. The foregoing objective was set out in a letter wherein President Ernest E. Norris introduces the new publication to members of the Southern "family."

"Ties" is being published under the direction of B. E. Young, assistant to the president, with John L. Stover as managing editor. The first issue contains 32 pages, the articles being presented in an attractive fashion which reflects skillful selection of type and use of color. The size of the magazine is 8¼ in. by 11¼ in.

"What's in a Name?"

In introducing itself, "Ties" explains that its name was chosen after much consideration because ties are "basic and indispensable in the track structure of a railroad"; and "equally vital to a railroad's successful operation are strong ties of friendly understanding and appreciation—born of shared information and mutual interests — between and among officers and employees, between departments, and between all those who work for a railroad and those who own it or who use its services."

Where the Money Goes

Thus "Ties" will "endeavor to strengthen the ties of understanding by telling its readers what's going on, and where," on the Southern. It will also explain how the interests of Southern employees, owners and customers "are interwoven," and it will give "full and accurate information on any development that threatens the job security of all railroaders."

"Because employees receive more than half of every dollar the railway takes in, they have a greater stake than anyone else in its financial well-being," the prospectus also says. "'Ties' will, therefore, periodically ask the accounting department to throw open its books so that readers may see how much money the Southern is making; where it is going; and especially how much a return, if any, is going to the investors who put up the money that makes jobs possible."

This employee stake was also emphasized in President Norris' letter when

In addition to the Norris letter and the prospectus statement, the first issue contains an article summarizing recent and prospective developments in the transport field, and others which explain the Ex Parte 162 freight-rate increase and undertake to "clear the air" on the matter of railroad profits. Other illustrated feature stories and accounts of personnel changes tell of happenings on the road, while the inside front cover is written and made up in news-letter style, with brief reports on important developments of interest to railroaders.

"Ties" is being distributed without charge to both active and retired employees of the Southern.

"FUN ON THE TRAIN"—Youngsters eating in dining and grill cars on the New York, New Haven & Hartford are enjoying two novelties that the road has prepared for them. The first is an especially arranged menu that is a printed replica of an old-fashioned schoolroom slate, while the second is a 24-page crayon book and a box of eight crayons given to each child eating in the dining car. The menu is illustrated with drawings of trains and different kinds of railroad equipment. Printed in white on a black background, the whole appears to have been written and drawn by a youngster on his slate. The crayon coloring book, entitled "Fun on the Train," contains more than 100 pictures plus a map of the territory served by the New Haven. The pictures depict scenes commonly viewed from train windows.

Pursuing a Successful Buying Policy

To conserve money and yet maintain adequate stocks of materials, supplies and equipment, procurement officers must receive the full cooperation of suppliers, as well as using departments*

By J. S. FAIR, JR.
Purchasing Agent, Pennsylvania

FOR several years the factors involved in normal purchasing have been out of balance, and some procedures altogether strange to buying in a free economy had to be learned and followed. Regular distribution of goods was disrupted, and properly so, by government allocation of materials to uses essential to the winning of the war. Conversion from production of items wanted by our armed forces in huge quantities to carry on the fight, to the production of things wanted by the people of the world for peacetime living, was not an easy job, even if there had not been obstacles such as strikes and material shortages. The stock bins of supplies needed by manufacturers and railroads in peacetime operations have not yet been filled, but here and there certain materials are beginning to be produced in sufficient quantity to meet the demand. It may soon be that, when we go to the storehouse, the items required will be there and ready to use.

Price controls during the war retarded natural upward pressures and helped to cause the high rate of acceleration of the recent powerful surge. This rise in prices was, of course, really the result of an old economic law which says that prices reflect the relation of supply and demand. It will be seen that, during the time these things have been going on, the question of delivery of material has been strongly emphasized. The purchasing agent has had to become a super-expediter, and the salesman a serviceman, finding ways and means together to effect shipment of necessary materials or satisfactory substitutes to keep the buyer's plant running.

Some Improvement Indicated

There are faint signs here and there that the scales are slowly coming into balance and, therefore, it seems appropriate that we describe the fundamentals of purchasing, and examine each of them.

A purchasing agent's main concern is to conserve the money available for obtaining the materials, supplies and equipment necessary for the proper functioning of his railroad, and to see that the right kind and quality of material arrives on the job at the time it is needed.

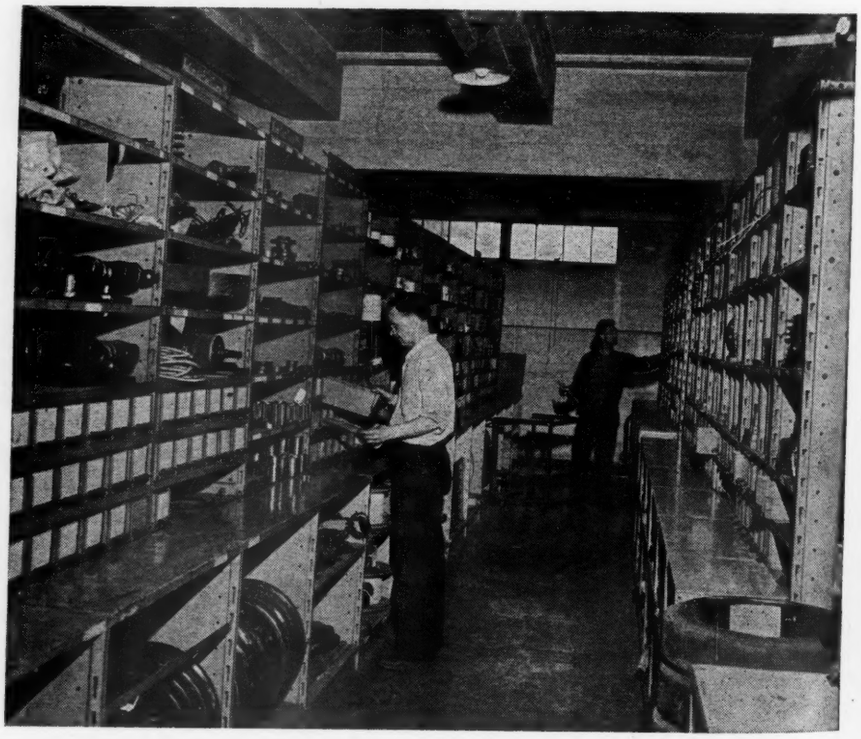
A railroad purchasing agent, unlike the legendary forgetful plumber, starts out on his job with a full set of tools furnished by other officers in his company. The mechanical engineer draws up specifications for many materials, and furnishes drawings of locomotive and car parts. The chief engineer's plans and specifications describe in detail just how and of what a crossing is to be assembled, or rail rolled. Quantities, destinations, and time needed on the job are determined by the stores manager, who must be in close touch with the plans of the using department.

In any kind of an undertaking there are certain fundamentals which, if followed, present the best possibility of real accomplishment with the tools at hand. Probably the first of the fundamentals in buying any article is to be able to visualize it. Is it a complicated mechanism or a simple piece, such as an ordinary bolt? Is it an item which can be turned out chiefly by machinery, or is there assembling to do, and consequently a higher labor factor? What are the materials of which it is made? Are they scarce and expensive or plentiful and cheap? Are there any options as to materials which can be used? How much of each kind of material goes into the finished product?

The next fundamental is to estimate the basic worth of the item that is to be purchased. What is the value of the material from which it is made, and the cost of the labor that turns it out? A purchasing agent's estimate of basic worth is not necessarily accurate, but it is helpful in considering quotations submitted by manufacturers. Prices which appear excessive in comparison with the estimated basic worth may lead to new inquiries and expanded lists of bidders.

Knowing Sources of Supply

The third fundamental for the purchasing agent is knowing his sources of supply. This does not mean merely hav-



Accurate forecasting is required to keep the 70,000 items purchased annually available in sufficient quantities to meet all emergencies, without overstocking

* Abstract of an address before the New England Railroad Club at Boston, Mass., February 11.

ing a list of names and addresses. It includes a working knowledge of the following:

1. Where are the plants located?
2. Are they well equipped and well managed?
3. Are they carrying a large backlog of orders and, consequently, slow in making deliveries?
4. If their normal capacity is being taxed, are they making headway toward increased production?
5. Will they deliver the material when they say they will?
6. Have they had trouble meeting the specifications?
7. If the item is not bought according to specification, has this firm's product been approved?
8. If some source fails, which others can be turned to, if necessary?
9. Does the list include all the companies that make, or can make, the item needed?

Without knowledge of these things a possible saving in value of material can be lost, because it may become necessary to transfer orders from one source to another after the orders are placed. Similarly, failure to deliver material when promised will frequently result in extra expense in construction costs.

The best way for a buyer to acquire the information called for by this third fundamental is to visit the plants of his sources of supply. A good buyer does this, and as often as he can, but of necessity, he must depend upon the sales forces who call upon him to keep him posted currently. Furnishing accurate data on conditions at his plant is one of the most helpful things a salesman does for the purchasing agent.

Another important service performed by salesmen is to make sure that the buyer is fully informed as to new products. Progress is continuously being made in improving design, finding new materials, and bettering manufacturing techniques. An alert buyer is always anxious to know of such advances in the art and eagerly passes the information along to the department which is interested in using them.

Keep Unfilled Orders Low

Carrying out one of the basic duties of the purchasing agent—i.e., knowing the status of open orders—is a tremendous help in following the fundamental of knowing his sources of supply. The buyer must keep his open orders under full control, because they represent outstanding commitments of his company. The piling up of orders not only confuses the storekeepers, and perhaps also the suppliers, but represents an indebtedness which may or may not be required if the material starts to flow normally.

For a long time buyers have been forced to forecast their requirements and order many months ahead. In offering a service like rail transportation, long-range forecasting is essentially inaccurate because changing conditions alter requirements. There is some tendency to overestimate, to be sure of having materials when the actual need arrives. On the other hand, it can just as easily develop that not enough has been ordered, when the ordering has been done a half year or more in advance. If either of these things happens, confusion is added to the manufacturer's efforts to satisfy his customer, because, when the time for delivery approaches, he may be faced with cancellations or last-minute appeals to supply larger quantities. Furthermore, advance commitments may be correct as to overall value, but the purchasing agent may be forced to ask for changes in detail items to be furnished, because the schedule of repairs to be done has been changed from one kind of equipment to another to fit the current situation.

In keeping unfilled orders at the lowest practical minimum, the purchasing agent learns easily which companies are shipping according to their promises.

The fourth fundamental of purchasing—and the most important—is the intelligent use of price information obtained as a result of inquiries. Before discussing this final fundamental, however, there is one factor in present-day pricing which seems worthy of special mention. The suppliers of material have been beset with a moving floor of costs. Labor rates, which are a major factor in many manufacturing costs, have been subject to numerous increases. Prices of basic materials have been affected by these increases and by terrific pressure from demand. Under such conditions, to which should be added a huge backlog of orders and indefinite delivery, manufacturers have used a safety valve which should soon begin to lose its place of importance. This safety valve takes two forms—"price in effect at time of shipment," and the somewhat broader "escalator clause." This is "open end" pricing, which is not a part of real purchasing nor is it a part of good selling in our kind of economy. Some sellers have reinstated the "firm bid," and it is believed that all manufacturers, as well as buyers, will welcome its complete return.

But to go back to the fourth fundamental of purchasing—the best use of price information. If the first three fundamentals have been followed, the purchasing agent will have the correct information and data with which to proceed into the fourth step. As a result of visualizing the item he will have an excellent idea of the kind of shops which can turn it out. His estimate of its basic worth gives him a measure of the prices bid. A real knowledge of his sources of supply assures him that orders are placed with companies which can meet his requirements as to quality, and tells him whether bids are sound and who among the bidders can make the necessary delivery. The last fundamental results in a purchase which is most favorable to the buyer.

Cooperation Is Essential

But this fundamental not only entails the handling of the transaction at hand; it includes a broader use of the data in cooperation with the other departments of the purchasing agent's company. Perhaps the specification is such that extra work is involved for the manufacturer and, consequently, the material is priced at a higher figure than that of a standard product. There may be more favorable terms if the material is ordered in larger quantities, and these larger quantities can perhaps be reached by the buyer if he orders on a quarterly, rather than a monthly, basis. In this case, of course, the saving in value of material must be balanced against the expense of short-time higher inventory.

One or more bidders may offer substitutes, and it must be developed whether the new materials are satisfactory. If they are, an entirely new list of possible sources may open up. At the same time, the old sources must not be overlooked as potential suppliers of the new material. The purchasing agent takes this information back to his mechanical engineer, chief engineer, and stores manager, for their consideration in designing equipment, specifying materials and determining requirements.

The cycle is completed but it does not stop. It is and will be repeated many times over, as long as railroad men can think of new needs and manufacturers can conjure up new ways and better materials to fill these needs.

The skill and interest of suppliers compose a vitally important factor in the outstanding performance of the railroads in emergencies and in their achievements toward better service to the public. With the suppliers' continued assistance, the railroad transportation industry, after more than 100 years of progress, can summarize its present position in Winston Churchill's famous expression, that this is just "the end of the beginning."

No Youngster, That Jeep.—According to original papers in the transportation library at the University of Michigan, Ann Arbor, the world's first amphibious "jeep" was demonstrated in Philadelphia in 1805. The papers indicate the vehicle was driven down Market street and into and up the Delaware river by its inventor, Oliver Evans, and that the creation was the first motor vehicle in America.

That is but one bit of information housed in the transportation library, which the university considers the most complete of its kind in existence, covering every phase of transportation ever used.

Power System for Pennsylvania Cars

"Trail Blazer" and "Jeffersonian" will soon have 90 new cars built in railroad shops—These and 214 of the cars building at outside plants for other trains will have new power system

IN LAYING its plans for post-war cars, the Pennsylvania decided that fluorescent lighting should be employed and that, since a source of alternating current was to be provided to operate the fluorescent lighting system, the alternating current power supply should be of sufficient capacity to operate all motors except the Freon compressor motor. Because of its higher efficiency, the rotating type inverted converter was preferred to the motor-alternator sets then available. The problem was to stabilize the frequency output of the inverter, and this was accomplished by mounting an amplidyne on the same shaft as the inverter armature in order to maintain substantially constant direct-current voltage input to the inverter regardless of the battery voltage.

The amplidyne is connected in series with the inverter and bucks or boosts the voltage supplied by the axle generator or battery to maintain approximately constant alternating-current voltage and frequency on the output side of the inverter. An amplidyne is used for three principal reasons:

1. To get high-speed response in the event that an induction motor is started when the set is loaded. The amplidyne performs as an exceedingly fast regulator and permits the starting of motors as large as one horsepower on a 5-kilowatt set without noticeable effect on fluorescent lamps operated from the same set.

2. To eliminate the losses in the field. The amplidyne control field takes about one-half to one watt.

3. To permit the use of a static regulator without moving parts.

High-Capacity Inverters

It was also decided to install nominal 110-volt batteries on the new cars and the General Electric Company was given an order to supply Amplidyne Booster Inverters of 5-kw. capacity to convert direct-current battery voltage ranging from 96 to 160 volts to three-phase alternating current at 230 volts for the 90 new cars to be built by the Pennsylvania at its Altoona works. Subsequent orders placed with various car builders have specified similar a. c. power supply systems, except that inverters of 6.4-kw. capacity have been specified for the kitchen-dormitory cars of twin-unit diners and for single-unit diners to furnish sufficient capacity to operate a. c. electromechanical refrigerators. At the time of this writing, the first of the 5-kw. machines has been built and tested, and under conditions of no load to full load, the frequency variation is within 58 to 62 cycles with d. c. battery voltage of 105 to 160, and within 57 to 59 cycles with d. c. battery voltage of 96 to 105, while the a. c. voltage is constant within plus or minus 1 per cent.

The 5-kw. inverter, Fig. 1, is approximately 45⅜ in. long by 16 in. in diameter, and weighs about 800 lb., while the 6.4-kw. inverter is approximately 49 in. long by 16 in. in diameter, and weighs about 900 lb. The inverters start through one step of resistance under the control of an auxiliary contact on the circuit breaker or switch which connects the load to the alternating-current output, so that, if there is no demand for alternating current on the car (all switches and breakers open), the starter opens and shuts down the inverter. The starting panel, shown in Fig. 2, is approximately 16 in. wide by 13 in. high by 7⅝ in. deep. The static regulator, shown in Fig. 3 with cover removed, is approxi-

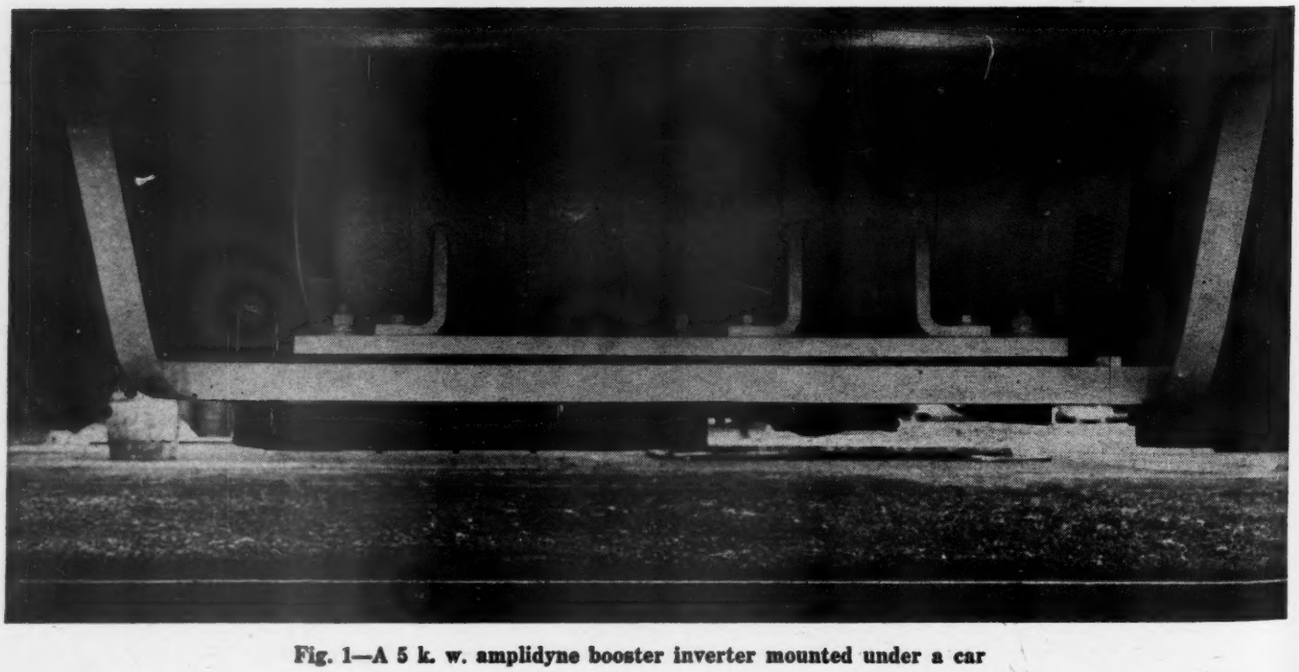
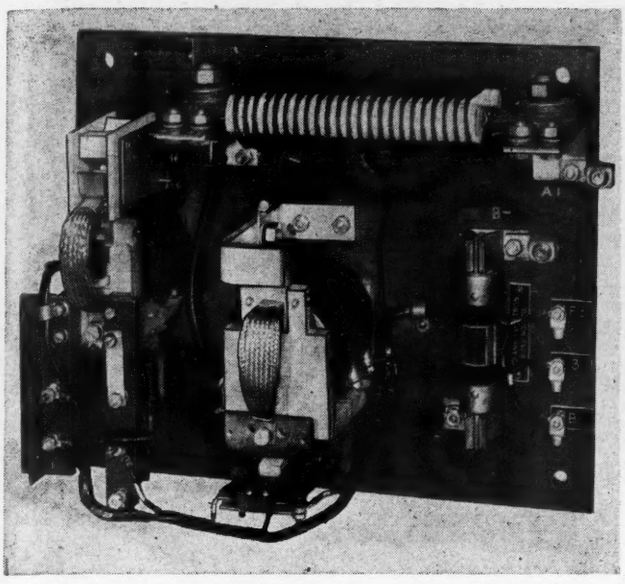


Fig. 1—A 5 k. w. amplidyne booster inverter mounted under a car

Fig. 2—(Below) Starting panel



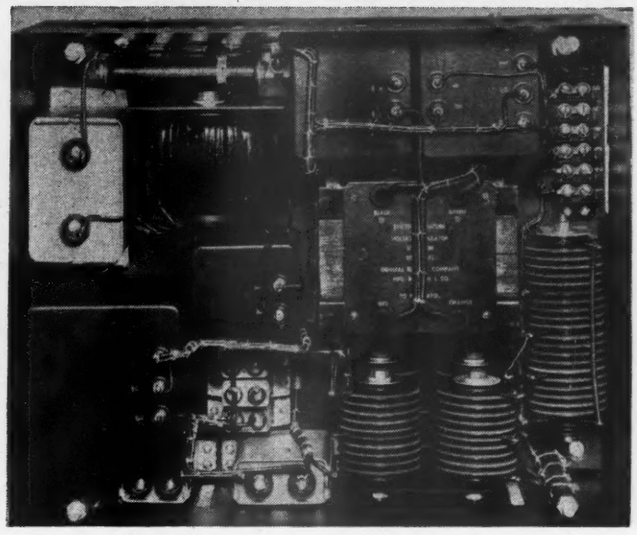


Fig. 3—(Above) Static regulator with cover removed

mately 16 in. wide by 13 in. high by 7 11/16 in. deep, and can be located conveniently in the car. There is another design of inverter, for operation in a vertical position, which can be installed in a locker inside the car.

As applied to the Pennsylvania cars, the amplidyne booster inverter supplies alternating current for the operation of all fluorescent lighting, air-conditioning main blower motor, condenser fan motor, exhaust and booster fan motors, electro-mechanical drinking water coolers, electro-mechanical refrigerators, radio and public address systems and electric razor outlets. Incandescent lighting is also supplied from the inverter. The only incandescent lighting supplied by direct current is for emergency in the event of failure of the inverter. The Freon compressor motor is operated from non-regulated, direct-current voltage.

Maintenance Simplified

When providing equivalent illumination levels, the overall efficiency of a car equipped with the amplidyne booster inverter will be as good as or better than a car equipped with either (1) a direct-current system, in which the main blower motor, incandescent lighting, exhaust fans, etc., are operated on regulated voltage through lamp regulators, or (2) a system in which motors and fans are operated on regulated voltage through lamp regulators and fluorescent lighting is supplied from a motor-alternator. In addition, all brush and commutator maintenance on motors located in relatively inaccessible places is eliminated, the necessary brush and commutator maintenance being confined to the inverter and Freon compressor motor, both of which are located under the car and readily accessible. This should reduce overall motor maintenance and result in improved performance.

The total weight of electrical apparatus in the new cars with 110-volt direct-current systems and amplidyne booster inverters is somewhat greater than that of corresponding apparatus in cars with 32-volt direct-current systems and motor-alternators, as shown in the following tabulation of weights of apparatus in coaches equipped with nickel-iron batteries:

Weights of Electrical Equipment

	110-Volt Direct Current with Amplidyne Booster Inverter	32-Volt Direct Current System with Motor-alternator
Battery	4,900 lb.	3,600 lb.
Conduit and wiring	2,250 lb.	3,250 lb.
Axle generator, incl. controls (20-kw.)	....	1,315 lb.
Axle motor-generator, incl. controls (25-kw.)	1,980 lb.	....
Freon compressor motor	575 lb.	590 lb.
Condenser fan motor	87 lb.	....
Evaporator blower motor	87 lb.	135 lb.
Exhaust fans (3)	134 lb.	(2) 35 lb.
Booster fans (2)	228 lb.	....
Amplidyne booster inverter and regulator	890 lb.	....
Motor - alternator and control	....	550 lb.
Lamp regulators	....	136 lb.
Air - conditioning controls	91 lb.	136 lb.
Other items	Same for both systems	
Total	11,222 lb.	9,747 lb.

This increased weight, however, is due mainly to differences in parts of the apparatus which do not make them readily comparable, such as:

1. The use of a larger battery. The various manufacturers' batteries in the 110-volt d. c. system have capacities of 51 to 58 kw.-hr. at an 8-hr. discharge rate, whereas the batteries in the 32-volt d. c. system have capacities of 39 to 40 kw-hr. at that discharge rate. Larger batteries are used in these new cars not only to handle the increased electrical loads but to allow longer periods of operation from the battery. The batteries on previous Pennsylvania coaches equipped with electro-mechanical air-conditioning will carry the maximum load for about 1.75 hours, whereas the batteries being applied to the new coaches will carry the maximum load for 2 to 2.3 hours, depending upon the types used.

2. The use of an axle motor-generator set in the 110-volt d. c. system, in contrast to the straight axle generator used with the 32-volt d. c. system.

3. The use of recirculated and exhaust air ducts in the baggage racks in the new coaches, requiring more exhaust and booster fans than in the 32-volt d. c.-equipped coaches.

If batteries of equal capacity, comparable generators, and the same recirculated air and exhaust ducts were used in both cases, the 110-volt d. c. system with amplidyne booster inverter would show a lesser weight than the 32-volt d. c. system with motor-alternator.

FILM FOR SKI FANS.—"Let's Go Skiing," a 16 m.m. technicolor motion picture produced by the New York, New Haven & Hartford, is ready for showing to travel, civic and social groups free of charge. The picture, 28 minutes in length, covers such winter resort areas as the Berkshires, Eastern Slopes, the Franconia area, Mt. Mansfield and the Laurentians in Canada. Not only does it show famous *ski meisters* in action, but it also brings to the audience scenes of dog-sledding, sugaring-off, etc. Requests should be sent to Public Relations Deparament, New Haven Railroad, Grand Central Terminal, New York City.

Mediation Board Sees Bright Side

Record year for strikes was also record year for "peaceful settlements," it says in annual report for fiscal 1946

WHILE setting out the unfavorable record of a period which brought more strikes than "any previous year during the history of the Railway Labor Act," the National Mediation Board's annual report for the fiscal year ended June 30, 1946, hastened to add that "there were also more peaceful settlements achieved than in any other year." The report, in the usual form, went to Congress last week.

"During the past year when strikes, threatened strikes or lockouts have been more numerous than ever before in industry generally, carriers and employees under the Railway Labor Act have not been spared from interruptions in usual peaceful relations," it said. "Because of these relatively few labor troubles, it has been asserted in some quarters that the Railway Labor Act has outlived its usefulness, and should be replaced by new legislation of one form or another. These proposals take no cognizance of the act's past and current day-to-day settlement of disputes arising between rail and air carriers and their employees.

"In 1946 the number of cases settled by mediation was 221, which was higher by 9 per cent than in any previous year since the law was enacted in 1926. In other cases adjusted during the year, disputes already on the board's docket were referred back to the parties and adjusted through further negotiations between the carrier and the employees on the property. In still additional cases, the parties were induced to make settlements by resort to binding arbitration."

But the Big Strike Came

The board emphasized that "all this was accomplished" before it got around to mentioning the fact that fiscal 1946 brought "by far the most disruptive tie-up in the history of American railroads," when members of the Brotherhood of Locomotive Engineers and Brotherhood of Railroad Trainmen staged their 48-hour strike last May. The report's review of events in connection with that walkout noted that the two brotherhoods called it "after exhausting all procedures of the Railway Labor Act." That the striking unions were thus within their legal rights was emphasized again a few paragraphs later on when the board pointed out that they were not bound by law to accept the recommendations of the emergency board to which their case went after they refused to join in the arbitration proceeding with the other 18 unions.

In addition to this nationwide strike, the board listed three other "important stoppages" of the year under review. These were the continuing dispute on the Toledo, Peoria & Western, and the Monongahela Connecting and Hudson & Manhattan strikes which came as aftermaths of the national tie-up. The board said that the M. C. strike, which resulted in government seizure of the property, was "contrary to provisions of the law"; and it noted that the H. & M. walkout continued while an emergency board was making its investigation, although that board's recommendations "were accepted as a basis for settlement."

As to the future effectiveness of the Railway Labor Act, the Mediation Board invited consideration of quoted excerpts from the report of this H. & M. board. In the cited passages the board had said, among other words of warning, that "it is particularly important in a time like the present to demonstrate that a non-compulsive law, built on the concepts of balancing rights against responsibilities and preserving the maximum of freedom of action, will work not only in the easy periods, but in times of stress and crisis and misunderstanding and aggravation."

Strikes to Get Mediator

Other fiscal 1946 strikes were referred to by N. M. B. as "a few minor stoppages," all of which were "of short duration, some lasting no more than a few hours." Some of these walkouts, the report added, "violated procedures provided by the law and when these were explained the board was usually able to persuade the striking employees to return to work and allow their dispute to be settled peaceably under the orderly processes of the law."

All of which brought the board to the point where it drew off the balance in favor of "peaceful settlements" achieved, as noted above. Moreover, it continued, "there were scores of threatened strikes which were canceled as a result of action by the board under the provisions of the law." Later on it was pointed out that many of the threatened strikes were in cases "where the strike action was called not so much on the issues in dispute as to secure services of a mediator."

The board indicated some sympathy for the unions' position in such cases when it said: "Promptness is of basic importance in effecting peaceful settlements through mediation. While the parties to a dispute may willingly accept a reasonable delay awaiting an available mediator they can scarcely be expected to stand by patiently an unreasonable length of time as was necessary at the start of the fiscal year 1946."

This situation improved during the year under review, which opened with a backlog of 247 pending cases and closed with a backlog of 94 cases, the second lowest on record. The report said this was accomplished "in part" by additions to the staff of mediators, 23 of them being on the roster as of the close of the fiscal year. A total of 589 cases was disposed of during the year, an increase of 6 per cent above fiscal 1945 and 70 per cent above the annual average of the 1940-44 period. Meanwhile, the number of new applications docketed as formal cases was down 20 per cent from fiscal 1945—436 as compared with 544.

As in previous reports, the board emphasized again that mediation is its "most important task." And while it conceded that a good word could be said for arbitration, it nevertheless held that mediation is the "more desirable of the two methods." At the same time, the board repeated its previous advices to the effect that parties should not be too anxious to obtain the benefits of its intervention. "During the past fiscal year," the report said, "the board has again received many applications for its mediation services in cases where direct negotiations have been only perfunctory or entirely lacking. . . . The importance of real direct negotiations between the parties cannot be over-emphasized." That important cases still tend to reach the emergency-board stage, however, is indicated by the fact that 10 such boards were appointed by the President in fiscal 1946 while 14 others were appointed from the National Railway Labor Panel by its chairman.

Adjustment Board

Commenting on the National Railroad Adjustment Board, the report noted how "some of the transportation organizations" have been by-passing that board's First division and making their working-agreement grievances the basis for strike threats which have resulted in the appointment of emergency boards. N. M. B. called this "extraordinary procedure" for the disposition of cases subject to Adjustment Board jurisdiction, and it ventured this recommendation:

"The Mediation Board believes that representatives of the carriers and the employees should by mutual agreement make a determined effort to speed up the settlement of disputes referable to the First division, preferably through permissive improved procedures, but, if necessary, through the presentation to the Congress of agreed-upon proposals for changes in the act."

The accompanying report of the Adjustment Board revealed that the First division decided only 141 cases by issuing awards in fiscal 1946. Meanwhile, 2,009 cases were withdrawn, leaving a June 30, 1946, backlog of 3,143 cases as compared with 4,720 as of the close of fiscal 1945. The year under review included the Adjustment Board's period of inactivity which followed the Supreme Court's decision in the so-called Elgin, Joliet & Eastern case.

"Big Steel" Spokesman Would Wait Out Car Shortage

Tells Pittsburgh audience demand will ease as factories have to close down and shippers turn to trucks and barges

SUBSTITUTION of "other forms of transportation for the railroad freight car is one logical and necessary step to meet the present freight car shortage," according to E. G. Plowman, vice-president, traffic, of the United States Steel Corporation, speaking February 20 at the annual dinner of the Traffic & Transportation Association of Pittsburgh (Pa.). "Trucks, barges, and ships are now available to a greater extent than during the war," he pointed out.

The present shortage of freight cars has attracted nationwide attention "because of its vital relationship to the national process of conversion from war to peace conditions," he said, but he did not suggest that the steel industry recognized particular responsibility for the development of the shortage, or that it contemplated exceptional effort to correct it (except as a shipper).

Without mentioning the fact that the inability of freight car builders to obtain larger quantities of steel has disastrously limited the number of new cars they have been able to turn out, Mr. Plowman described the car shortage as "in large part" the result of "long-time trends. Its roots are much deeper than just as an aftermath of World War II."

As *one* of the measures necessary to obtain relief from the shortage — the urgency of which he pictured vividly — the U. S. Steel officer suggested that "an effective car construction program must develop." "During 1945 and 1946, the new car construction rate has been about 40,000 per year, about 3,300 per month. This construction rate has fallen short of actual scrapping of unserviceable freight cars by over 20,000 cars each year, or nearly 2,000 cars per month. In other words, construction should have been at least at the rate of 5,000 new cars per month in order to maintain the total number without reduction.

"There is good reason to believe that this deficit in the construction rate is being corrected," said Mr. Plowman in concluding his brief discussion of this subject. "Termination of construction of foreign cars has released both material supplies and manpower for more domestic cars. Efforts to raise the construction rate to not less than 7,000 new cars per month should be successful before the end of 1947."

What the Carriers Can Do

Although the speaker did not report that the steel producers are taking the steps necessary to bring about an adequate and prompt increase in the amount of steel available for car production, he was able to suggest measures by which he thought the railroads could obtain more efficient use of the existing supply of cars.

"An overlooked obstacle to satisfactory car supply on loading tracks has been railroad inability to do a good switching and yard job," he remarked. "This has been due to lack of manpower and also to an insufficient number of modern switching locomotives, such as Diesel switchers. As a result car days have been wasted in freight yards, cars have had to by-pass the cleaning track, minor repairs to car floors or doors or roofs have not been made, and cars unloaded by shippers have not been moved promptly. Some railroads have seemed unable to avoid excessive congestion at their own transfer houses and on their own team tracks. This is surely a correctible condition if enough manpower and switching time is allocated to this service. This stickiness and inefficiency of switching and yard operations is also gradually being corrected. Railroads are again able to buy and get delivery of switching locomotives. Manpower problems are disappearing. As a result, shippers can look forward again to the day, perhaps as soon as next fall, when clean cars in good condition will reach loading tracks promptly after they are ordered from the railroad. This is a pious hope!"

The most important reason for the post-war car shortage, which has become increasingly serious even though the railroads have had to carry, as Mr. Plowman put it, "only 80 per cent as much load" as during the war, is, as he sees it, the relationship between the declining number of freight cars and the increasingly shorter industrial work week. "Elimination of Saturday loading and unloading of freight cars, when completely effective," he said, "will probably mean that at least 15 per cent more freight cars will be required to perform the same transportation service. It is the sudden impact of this post-war industrial five-day week, on top of many other post-war changes and problems, that has made the present car shortage a serious national crisis."

Another factor in the situation, the speaker pointed out, is the condition of many freight cars—"the poorest in the memory of users." But Mr. Plowman did not advocate the retirement of obsolescent or dilapidated equipment. Their bad condition, he said, "is not due to the high average age of our freight cars—since a properly rebuilt car is as good as new for shipping purposes." The "excessive number" of cars in poor condition could be corrected, he suggested, if the railroads would adopt an "effective repair program." "The reasons why railroad car repair programs became inefficient are familiar to all who remember the way skilled railroad employees were drafted during the war. It is certain that improvement has begun. There is good reason, from both material supply and labor availability standpoints, to believe that car repair programs are be-

A 2,700-hp. Diesel-electric freight locomotive in service on the Great Northern

ginning to make headway. The backlog of cars actually in bad order awaiting repair should decline, even though the number of cars inspected and marked 'Bad Order' increases as a result of inclusion of damaged cars which are now being left in service."

Fears Overemphasis

But these measures are relatively long-term, continued Mr. Plowman. What about 1947? "The outlook for the immediate future is not bright—but this admittedly serious situation should not be overemphasized. Rather it should be regarded by all of us as a challenge to our ingenuity and to our American methods of cooperation."

One important consideration, he remarked, is "whether there will continue in effect the present boom demand for empty freight cars, now apparent in so many different economic fields." In his opinion continuance of the present demand is "unlikely." Without forecasting a business recession he saw as "highly probable" a decline in the demand for cars for l.c.l. shipments, for example, because as industrial production hits a steadier pace more carload shipments will be offered and the need for small lot movements will fall off. "Similarly, if many automobile trucks are being produced, some will be set to work by their owners in ways that divert from, instead of supplementing or increasing railroad freight movement. Thus, peak production for peace-time ultimately reduces and smooths out some of the abnormal demand for empty cars on loading tracks. This happens because there is a tendency for some peaks of production and resulting car demand to offset the need for empty freight cars for other purposes. Already there are numerous instances of industrial production cut-backs due to car shortage. This retarding influence results from persistent and continued inability to supply the number of empty cars required to maintain the planned and in most cases maximum production rate. As a result of this persistent car failure, employees have to be laid off or are offered less than full-time employment. The drift of employees toward more satisfactory jobs soon makes operation of the particular plant at the planned level impossible. Thus, an artificial situation develops in that the supply of empty cars apparently comes into balance with demand at the lower level."

"But no matter how much it may be discounted, the immediate freight car supply situation is serious. What can be done about this 1947 car supply crisis?" Mr. Plowman continued. To answer the question he suggested this four-point program:

1. Continue loading cars to the war-time levels required by Office of Defense Transportation heavy-loading orders;

2. Continue to penalize "misuse" of cars by application of Interstate Commerce Commission "super-demurrage" orders and limited embargoes;

3. Continue and improve the car distribution system developed during World War II, adding rules to bring about maintenance on each railroad of more nearly the equivalent of its ownership of cars; and

4. Continue and "step up" voluntary cooperation by shippers in obtaining the maximum use of freight cars.

Union Completes Major Improvements

(*Continued from page 444*)

level, passing under both the High Grade and the Low Grade lines, and is carried across Turtle creek on a new bridge, known as the P. R. R.-Interchange bridge.

The second step was to construct and place in service on the new alinement one of the new High-Grade tracks, eventually to become the northward track. Included in this step was the erection of three of the major structures, namely, the bridge across the Pennsylvania's main line, to be known, like its predecessor, as the Brinton bridge; the substructure for the High-Grade viaduct spanning the new P. R. R.-Interchange track, Turtle creek, and a public thoroughfare, along with the superstructure for the northward track on this viaduct; and, at the west end of the project, a third structure, known as the Crew Dispatchers bridge, to carry the High Grade tracks over the B. & O.

The third step involved the construction of the new Low Grade track to the extent that this was possible without interfering with movements over the existing Low Grade to Bessemer yard. The new Low Grade diverges from the new main line immediately south of the Brinton bridge and crosses the alinement of the old High Grade and Low Grade viaducts at the approximate level of the older structures. Consequently, the new Low Grade viaduct could not be competed until the older structures had been removed. Therefore, the work was carried to the point where only one span, at the point of crossing the old structures, remained to be erected. The new Low Grade viaduct is a single-track, deck-girder structure, with a grade of 2.20 per cent, ascending eastward.

The final step in the construction work was the removal of the old viaducts crossed by the new Low Grade, and the completion of the Low Grade structure by erection of the span at this location. With this track in service, the way was then clear for completing the superstructure for the southward track on the High Grade viaduct, which by this time had been advanced to the point where only one span remained to be set into place. (Part II of this article, describing the new structures and some of the unusual design features, will appear in next week's issue.)

Setting one of the High-Grade girder spans in place with an 80-ton derrick car

I. C. C. Inspection Report

Statistics of defective motive power and accidents and casualties resulting therefrom show no improvement in conditions — Boiler explosions increasing

DURING the year ended June 30, 1946, there was an increase in the percentage of locomotives—both steam and other than steam—that were inspected and found defective. These statistics of such inspections and defects were included in the thirty-fifth annual report of the Bureau of Locomotive Inspection of the Interstate Commerce Commission, recently issued by John M. Hall, director of the bureau. In the case of steam locomotives, there were, during the fiscal year, 101,869 locomotives inspected which was a decrease of 14,110 as compared with the previous year. Of these 11,337 or 11 per cent of the total were found defective and 690 were ordered out of service.

In the case of locomotives other than steam, there were 10,908 inspected during the period. Of these 499 or 4.6 per cent were found defective and 17 were ordered out of service.

The year covered by the report was particularly unfavorable in the matter of accidents and casualties caused by the failure of some part of the steam locomotive boiler. There was a total of 156 accidents attributable to such causes during the period, an increase of 15 over the previous 12-month period. In these 156 accidents ten persons were killed and 165 injured.

Similarly, there was an increase in both the number of accidents and the number of persons injured as the result of a failure of locomotives other than steam. During the fiscal period there were 38 such accidents which fortunately did not result in any loss of life but did result in injuries to 56 persons.

The report called attention to the fact that the fiscal year covered by this report is the first year in the 35 years' history of the bureau in which no deaths occurred in any accident other than boiler explosions caused by the overheating of crown sheets.

Boiler Accidents

Eighteen boiler explosions occurred in the fiscal year; all were caused by overheating of the crown sheets due to low water. Ten employees were killed in these accidents and 22 employees were injured. There was an increase of 10 in the number of boiler explosions, an increase of one in the number of employees killed, and an increase of 10 in the number of employees injured compared with the preceding year.

Two of the explosions occurred on locomotives hauling hospital trains, two occurred on locomotives in passenger-train service, 11 occurred on locomotives engaged in freight-train service, and three occurred while the locomotives were in charge of engine watchmen.

One of these accidents, in which two employees were killed, occurred on the leading locomotive of a double-header which was hauling a hospital train at an estimated speed of 20 m.p.h. The boiler was torn from the running gear, struck the adjacent track, then bounded and came to rest about 350 ft. from the point of explosion and 90 ft. forward of the point where the train stopped. Parts of the wreckage were scattered over an area extending to a radius of 751 ft.

In the other accident in which the locomotive was hauling a hospital train at an estimated speed to 45 to 50 m.p.h., the force of the explosion broke the front-end door hinges; the door was found 437 ft. ahead and 186 ft. to the left of the point of explosion, and parts of the headlight were found from 300 to 400 ft. ahead and from 166 to 190 ft. to the left. The train was brought to a stop in 2,090 ft. by the conductor who applied the brakes from the caboose upon seeing a cloud of black smoke around the locomotive. One employee was killed and one injured in this accident.

One employee was killed and one injured in one of the two explosions that occurred while the locomotives were hauling passenger trains. The locomotive involved in this accident was the second locomotive of a double-header, and the explosion occurred while the train was running at an estimated speed of 65 m.p.h. The train was stopped by the engineer of the leading locomotive about 2,000 ft. from the point of the explosion. Two employees were injured in the other explosion which occurred while the train was running at an estimated speed of 15 to 18 m.p.h. In this instance the two employees were blown from the cab by the force of the explosion, and the train was stopped in a distance of about 1,000 ft. by the conductor by means of the conductor's brake valve.

Four employees were killed and 17 injured in the 11 explosions that occurred on locomotives in freight-train service. One of these accidents caused derailment of the locomotive and tender and derailment of 13 cars, eight of which were destroyed. The locomotive, tender, and cars were massed within a space of 150 ft. on and adjacent to the track about 250 ft. forward from the point of explosion.

Two employees were killed and one injured in the three explosions that occurred while the locomotives were in charge of engine watchmen. In two instances, in each of which the watchman

Table I—The Number of Locomotives in Service, the Number Inspected and the Conditions Found

STEAM LOCOMOTIVES

	Year ended June 30—					
	1946	1945	1944	1943	1942	1941
Number of locomotives for which reports were filed	41,851	43,019	43,297	43,064	42,951	43,236
Number inspected	101,869	115,979	117,334	116,647	113,451	105,675
Number found defective	11,337	11,975	12,710	11,901	10,970	9,570
Percentage inspected found defective	11	10	11	10	10	9
Number ordered out of service	690	506	630	487	474	560
Number of defects found	56,541	53,367	56,617	51,350	44,928	37,691

LOCOMOTIVES OTHER THAN STEAM

	Year ended June 30—					
	1946	1945	1944	1943	1942	1941
Number of locomotive units for which reports were filed	6,616	6,094	5,139	4,351	3,957	3,389
Number inspected	10,908	9,888	7,711	6,847	6,728	5,558
Number found defective	499	447	378	298	358	319
Percentage of inspected found defective	4.6	4.5	4.9	4.4	5	6
Number ordered out of service	17	16	9	6	12	21
Number of defects found	1,385	1,212	1,026	849	928	905

Table II—Accidents and Casualties Caused by Locomotive Parts and Appurtenances

STEAM LOCOMOTIVE, INCLUDING BOILER, OR TENDER

	Year ended June 30—					
	1946	1945	1944	1943	1942	1941
Number of accidents	419	410	403	319	222	153
Per cent increase or decrease from previous year	2.2[1]	1.7[1]	26.3[1]	43.7[1]	45.1[1]	6.7
Number of persons killed	10	20	25	27	34	15
Per cent increase or decrease from previous year	50.0	20.0	7.4	20.6	126.7[1]	16.7
Number of persons injured	439	429	466	373	227	182
Per cent increase or decrease from previous year	2.2[1]	7.9	24.9[1]	64.3[1]	24.7[1]	19.1

STEAM LOCOMOTIVE BOILER[2]

	Year ended June 30—							
	1946	1945	1944	1943	1942	1941	1915	1912
Number of accidents	156	141	141	129	81	43	424	856
Number of persons killed	10	13	17	25	30	12	13	91
Number of persons injured	165	154	194	173	83	64	467	1,005

LOCOMOTIVES OTHER THAN STEAM

	Year ended June 30—					
	1946	1945	1944	1943	1942	1941
Number of accidents	38	29	17	15	9	11
Number of persons killed	..	1	..	..	..	..
Number of persons injured	56	40	23	18	9	11

[1] Increase.
[2] The original act applied only to the locomotive boiler.

was killed, the force of the explosions tore the boilers from the running gears. One of these boilers was blown upward and forward and alighted on a rail of the track upon which the locomotive was standing, 193 ft. from the point of explosion; the rail was broken by the impact, and a depression was made in the roadbed approximately 8 ft. deep. Parts of the wreckage were scattered in various directions over an area extending to a radius of 900 ft. Electric power service of the city in which the explosion occurred and that of a nearby army camp was disrupted by falling parts which severed the power lines.

The other boiler that was torn from the running gear apparently ascended practically vertically, and in falling the boiler back head struck the right main rod and the boiler came to rest in approximately upright position, 12 ft. ahead and 12 ft. to the right of the point of explosion and parallel to the running gear. Parts of the wreckage were scattered in various directions over an area extending to a radius of 272 ft.

Investigations developed that the absence of normally safe water level was known by one or more employees on one of the locomotives in passenger-train service and on six of the locomotives in freight-train service in advance of occurrence of the explosions, and actions had apparently been taken to increase the rate of water supply to the boilers. One employee was killed and 12 employees were injured in this group of seven accidents.

Table III—Casualties Classified According to Occupation

STEAM LOCOMOTIVE ACCIDENTS

	Year ended June 30—									
	1946		1945		1944		1943		1942	
	Killed	Injured	Killed	Injured	Killed	Injured	Killed	Injured	Killed	Injured
Members of train crews:										
Enginemen	4	142	5	117	7	128	11	109	10	79
Firemen	4	184	9	183	11	181	10	143	12	73
Brakemen	..	46	2	61	2	67	4	47	4	32
Conductors	..	7	1	11	..	11	..	8	..	7
Switchmen	..	10	1	10	..	5	..	12	..	5
Enginehouse and shop employees:										
Boilermakers	..	1	1	10	2	5	..	4	2	4
Machinists	..	6	..	6	..	2	..	3	..	5
Foremen	..	3	..	6	..	2	..	..	..	1
Inspectors	..	1	1	..	1	2	..	..	1	2
Watchmen	2	4	..	1	..	1	1	3	..	..
Boiler washers	..	1	..	..	..	..	..	..	..	..
Hostlers	..	10	..	5	..	12	..	1	..	4
Other enginehouse and shop employees	..	3	..	4	1	4	..	4	3	3
Other employees	..	13	..	5	..	6	..	11	2	3
Nonemployees	..	8	..	10	1	40	1	28	..	9
Total	10	439	20	429	25	466	27	373	34	227

ACCIDENTS TO LOCOMOTIVES OTHER THAN STEAM

	Year ended June 30—									
	1946		1945		1944		1943		1942	
	Killed	Injured	Killed	Injured	Killed	Injured	Killed	Injured	Killed	Injured
Members of train crews:										
Enginemen	..	8	..	4	..	4	..	3	..	5
Firemen	..	14	..	14	..	4	..	9	..	2
Brakemen	..	3	..	1	..	1	..	1	..	1
Conductors	..	2	..	1	..	1	..	1	..	..
Switchmen	..	2	..	2	..	..	..	1	..	1
Maintenance employees	..	4	1	3	..	4	..	2	..	..
Other employees	..	5	..	8	..	1	..	1	..	..
Nonemployees	..	18	..	7	..	8	..	..	..	..
Total	..	56	1	40	..	23	..	18	..	9

Open Throttles

In all the foregoing seven instances, working of the locomotives was continued with various throttle openings described as part to full open, which use of steam results in further retardation of restoration of the water level, or depletion of the quantity of water in the boiler, depending upon the extent of working of the locomotive and the rate of water supply. In one case the fuel-oil fire was extinguished by closing the emergency valve in the oil supply line shortly before the accident occurred, but there was no evidence in any other instance that any steps had been taken looking toward extinguishing or dumping the fire or of easing off or closing the throttle to conserve the known inadequate quantity of water in the boiler.

One of this group of locomotives in freight-train service was equipped with a low-water alarm. The alarm sounded about 4½ miles before the point of accident was reached and continued to sound steadily, for a time estimated as six to eight minutes, until the accident occurred; during this time two applications and releases of the brakes were made in attempts to slush water over the crown sheet and the throttle remained practically full open. It is apparent that in all these instances the innate urge to keep trains moving to avoid delays on the line of road, which is a characteristic of all employees whose duties involve the movement of trains, was permitted under the exigencies prevailing to take precedence over the universal safety rule of all railroad companies, applicable to any condition of train or locomotive operation that may arise, to the effect that in case of doubt the safe course shall be taken.

Attention has repeatedly bee called in the annual reports of the bureau, and in reports on boiler explosions caused by overheating of crown sheets, to the futility of attempting to keep trains moving in the absence of definite knowledge of the presence of safe water level in the boiler and to the necessity of constant vigilance on the part of all whose duties in any way concern the safety of locomotives, whether moving or standing, to maintain the water level at a known height that will protect the crown sheet from overheating. This requires maintenance of the water level so that the height is readily visible in

the water glass, reducing the rate of working of the locomotive if, from any cause, water is being used at a rate in excess of that at which it can be supplied to the boiler. Water glasses should be blown out sufficiently often, and the movement of the water therein carefully noted, to insure that the water moves freely. The gage cocks should be tried frequently to check the level in the water glass, but a safe water level should not be assumed if the bottom gage cock seemingly indicates the presence of water if none is visible in the water glass. The lowest indication of any of the water level indicating devices when observed in the normal manner should be controlling; in other words, the least favorable should be considered as the correct indication.

Trick means, such as closing the top water-glass cock in attempts to cause the water to ascend in the glass, attempts to slush water over the crown sheet by abruptly varying the speed of the locomotive, or, if the locomotive is standing, attempts to raise the water or slush it over the crown sheet by opening the throttle and repeatedly reversing the locomotive, or assuming that the discharge from the water-glass drain pipe or the discharge from the bottom gage cock indicate sufficient water in the boiler if water cannot be readily observed in the water glass, serve only to raise false hopes that the crown sheet may not become overheated.

If observation of the water level has been inadvertently overlooked until the level has receded below the lowest reading of the water glass, or proportionately higher if the locomotive is headed upward on an ascending grade, the fire should be dumped or extinguished at once.

One hundred and thirty-eight boiler and appurtenance accidents other than explosions, in which no fatalities occurred, resulted in injuries to 143 employees. This is an increase of five accidents, a decrease of four deaths, and an increase of one injury compared with the preceding year.

Of the 1,727 applications filed requesting extension of time for the removal of flues, 240 cases involved conditions such that extensions could not properly be granted; 52 were granted extensions for shorter periods of time and 58 extensions were granted after defects had been repaired. Sixty-nine applications were canceled and 1,308 applications were granted for the full period requested.

Amended Rules

As a result of numerous accidents, recommendations were made in the thirty-third annual report that changes be made in certain rules to effect increased safety of operation. Under an order dated January 16, 1946, Rules 106, 153 and 157 were amended.

Rule 106 was amended to require that on each steam road locomotive built on or after March 1, 1946, an emergency brake valve be installed in the location provided for in the rule, and that on each steam road locomotive built prior to March 1, 1946, such emergency brake valve was to be installed on the first Class 3 or heavier repair, after June 1, 1946, but not later than June 1, 1948.

Rule 153 has been amended to require the application of a device indicating the height or quantity of water in the tender feedwater tank so that such height may be ascertained from the deck or tender deck of the locomotive. The application of this device shall be made to all new steam road locomotives that take water en route which were built on or after March 1, 1946, and on such steam road locomotives built prior to that date the application of such a device shall be made on the first Class 3 or heavier repair period, after June 1, 1946, but not later than June 1, 1948.

Rule 157 has been amended to provide that each steam road locomotive built on or after March 1, 1946, shall be equipped with suitable connections to air-operated power reverse gears so that such reverse gears may be operated by steam in case of failure reducing the main-reservoir air pressure. Likewise, on steam road locomotives built before that date such application of steam connections to air-operated power reverse gears shall be made at the first shopping for Class 3 or heavier repairs, after June 1, 1946, but not later than June 1, 1948.

No formal appeal by any carrier was taken from the decisions of any inspector during the year.

High-Lift Worksaver

A new electric-powered industrial truck, known as the High-Lift, Platform Model Worksaver, has been placed on the market by the Yale & Towne Manufacturing Co., 4530 Tacony st., Philadelphia 24, Pa. Equipped with independent motors for lifting and driving, the unit has two speeds forward and two reverse.

Like other trucks of the Worksaver line, this truck is provided with automatic braking.

The new Worksaver is designed to meet the need for equipment midway between the simple hand truck and heavy-duty high-lift platform truck, and is available in two models. One of these has a platform which will pass under a 7-in. skid and is capable of hoisting it to a height of 66½ in., while the other has a platform which can pass under a 11-in. skid and hoist it to a height of 70½ in. Both have a lifting capacity of approximately 4,000 lb. and are said to be easily maneuvered.

One of the Yale High-Lift platform trucks in operation.

GENERAL NEWS

Railroads Seek 45% Increase in Mail Pay

Tell I.C.C. costs are double 1928's, when present basis was fixed

Asserting that the cost of handling mail has increased more than 45 percent since 1940 and is more than 100 per cent above the level of 1928, when present rates were established, the railroads have asked the Interstate Commerce Commission to fix a new basis of mail pay which "shall be not less than 45 per cent in excess of the rates now in effect." The increase, which would bring about $58,000,000 in additional revenue, is proposed in a petition seeking a reopening of Docket No. 9200, Railway Mail Pay.

Pointing out that more than 18 years have elapsed since the commission issued its July 10, 1928, order establishing the present rates, the petition asserts that those rates are no longer "fair and reasonable," but are "unduly and unreasonably low and less than the fair and reasonable compensation which is contemplated by law, and which petitioners are entitled to receive under section 5 of the Railway Mail Pay Act."

Postage Charges Up—Since 1928, the petition continues, the value of the service performed by railroads in transporting mail has "materially increased," the principal reason for such increases being "the substantial increase in postal rates without any increase in railway mail-pay rates." This, it is pointed out, has resulted in a "sharp decline" in the ratio of railway mail-pay to postal revenues of the Post Office Department. A table in the petition shows that railway mail-pay in 1928 ($111,850,355) amounted to 16.1 per cent of the audited postal revenues, whereas the 945 mail pay ($133,598,435) was only 10.2 per cent of the audited postal revenues. The ratio has declined every year since 1932 when it reached 17.4 per cent, the peak of the 1925-1945 period.

The petition goes on to report briefly on the increased costs which the railroads have experienced, wages being 50.7 per cent higher than the 1940 level and 72.3 per cent above 1928 and prices of materials and supplies higher by 58.6 per cent and 65.8 per cent respectively. On the basis of the same level of employment as in 1946, the petition also says, the 1947 payroll will be $1,346 million greater than at the 1940 rate of wages and $1,678 million more than at the 1928 wage rates. Current price levels indicate that the same volume of fuel, materials and supplies will cost in 1947 $662 million and $711 million more, respectively, than if 1940 or 1928 prices prevailed. Also, mention is made of payroll taxes, a "new and substantial item of expense" which has been imposed on the railroads since present mail-pay rates were fixed.

Costs Doubled—Summing up on increased expenses, the petition says that operating costs in 1946 were $1,866 million in excess of what the cost of the same operations would have been at 1940 unit costs. The increase as compared with 1928 was $3,189 million. Thus the percentage increase since 1940 was put at "not less" than 45 per cent and the rise since 1928 at "more than" 100 per cent. The railroads further estimate that neither their net railway operating income nor their net income will be any greater in 1947 than in 1946 when their earnings were recognized by the commission in its Ex Parte 162 rate-increase decision as being "grossly inadequate."

As to the cost of handling mail, the petition alleges that it has increased more than the average over-all increases in railroad costs. This is because the volume of mail traffic has increased since 1928 and 1940 "relatively much less than the volume of other kinds of railroad traffic." "It is well recognized," the petition adds, "that at a fixed level of rates and expenses, a greater proportion of gross revenue is reflected in the net income as traffic increases, and a lesser proportion as traffic decreases."

"Rank and File" Attack Crosser Law at Meeting

Legislative proposals aimed at the repeal of the Crosser amendments to the Railroad Retirement Act were discussed at a meeting on February 24, at Chicago, of the "rank-and-file" representatives of employees of 31 railroads. The proposals are expected to be drafted at a meeting sometime during the week beginning March 3, according to Thomas Stack, an employee of the Chicago, Rock Island & Pacific, who called the initial meeting.

The group proposes to substitute for the Crosser amendments "a program to meet the needs of rank-and-file workers." Mr. Stack said that petitions containing 28,511 names have been sent to Washington in protest against the bill, which "substantially increased deductions from take-home pay without increasing railroad pensions, and greatly extended benefits to workers of short employment to the disadvantage of lifelong railroaders."

Kendall Report Notes Bad Car Situation

Refers to Senate hearings where "heroic measures" are being advocated

The unanimous opinion that there are not enough box cars in the country and that "heroic measures" should be taken to add to the box car supply has been the most "significant development" to arise from the hearings in connection with the Senate interstate and foreign commerce committee's investigation of the box car shortage, it is asserted by Warren C. Kendall, chairman of the Car Service Division of the Association of American Railroads, in his latest monthly review of the "National Transportation Situation."

Mr. Kendall's review pointed out that the C. S. D. submitted at the hearings information showing the efforts which have been made "to alleviate the car shortage as a whole and to equalize it so that no area or district shall have an unfair advantage over another." (See *Railway Age*, February 22, page 421.) He also referred to a "voluntary arrangement" made by the steel industry which is expected to make available sufficient materials for the construction of approximately 7,000 new freight cars monthly, as compared with the present monthly output of 3,500 cars.

Freight Backing Up—With respect to box cars, Mr. Kendall reported that there is still a "heavy backlog" of manufactured goods and other commodities requiring box cars in addition to the "heavy requirements" for transporting grain and grain products for export and domestic use. He said that as of February 7 "over 50 per cent" of the grain and grain products required for export during February was reported "at ports or in transit," adding that the export program for March as announced by the Department of Agriculture will "exceed the volume programmed for any previous month." He said that the present export relief program will continue until June 30.

"Every indication . . . tends toward continued heavy demand for box car equipment to meet increasing loading schedules," Mr. Kendall commented, "and this will require concerted effort on the part of all concerned to see that box car equipment is handled in the most expeditious manner practicable, if all requirements are to be satisfactorily met." At the same time, he said that there is an "ample supply" of stock cars, adding that any surplus is being utilized for loading other commodities which can be accommodated in this type

of equipment. He also noted that there has been an increase in requirements for automobile cars.

Turning to the coal car situation, Mr. Kendall said that there has been a 7.2 per cent increase in revenue coal loadings during the first six weeks of 1947, as compared with the same 1946 period. Noting that recent coal loadings have exceeded those of similar periods of any year back to 1926, Mr. Kendall added that "since the first of the year, coal production has been very heavy as industry concentrates on replenishing stocks seriously depleted by the miners' strike in November and December last year, and also in anticipation of possibly some interruption April 1."

Open Tops Inadequate, Too—Pointing out that the loading of other commodities using hoppers also has been "very heavy" since January 1, Mr. Kendall said that reports received from railroads covering hoppers loaded with all commodities during the five weeks ended February 1 showed an increase of 13.2 per cent over the 972,459 hoppers loaded in the comparable 1946 period. With respect to the export coal program, the C.S.D. chairman reported that (1) the allotment has been increased from 2½ million tons monthly in the last part of 1946 to approximately 3 million tons monthly in 1947; (2) the January program, hampered by domestic requirements and shipping difficulties, was met to the extent of 86.7 per cent, a total of 2,314,475 tons having been shipped that month, as compared with 1,647,130 tons in December, 1946, and 1,243,928 tons in November, 1946; and (3) the Solid Fuels Administration hopes to ship 2,847,000 tons of coal overseas in February, with the possibility that the March quota will be "considerably higher."

The gondola supply situation was described as being "tight," particularly in the Chicago, St. Louis, Mo., and Eastern territories where steel mills are operating on peak production schedules. Pointing out that gondola loadings have increased 25.1 per cent during the five weeks ended February 1, as compared with the same 1946 period, Mr. Kendall said that because roads in the Eastern and Alleghany territories have had a "difficult time" in meeting requirements, it has been necessary to call on the Western and Southern carriers to send Eastern and Alleghany ownership gondolas home empty unless loading to home territory can be provided.

Weather Slows Empties—Mr. Kendall also reported that (1) requirements for flat cars continue "reasonably heavy," a total of 87,899 flats being loaded in January, as compared with 79,455 in January, 1946; (2) there has been "no let up" in the demand for covered hoppers, 23,782 being loaded in January, as compared with 16,021 in the same 1946 month, an increase of 48.4 per cent; (3) all types of open cars are in very heavy—"almost record"—demand, the railroads urgently needing the fullest measure of cooperation from shippers and receivers in continued prompt release of equipment in order that the present transportation requirements may be met on a "reasonable basis," and (4) the supply of refrigerator cars continues tight in all producing areas due to the slow movement of empties in the first two weeks of February as a result of unfavorable weather conditions.

Elaborating on the covered hopper supply, the C. S. D. chairman said that despite the increase in ownership during 1946 of over 3,000 such cars, it is apparent that more covered hoppers are needed to satisfy all demands. He added that the heavy road building program has necessitated a "high degree of efficiency" in turning covered hoppers around and that several roads are calling on car builders to expedite deliveries of covered hoppers now on order. He said that "about 800" covered hoppers are now temporarily assigned to the movement of export grain and "are thus helping to relieve the box car situation."

Some Transfers Congested—According to Mr. Kendall, l. c. l. traffic volume "increased substantially" during January, following a holiday lull. He said that while there have been indications of mild congestions at some important transfers and freighthouses in the North and East, the situation is "not out of hand" and "on the whole l. c. l. movements appear to be fairly good."

With respect to military transportation, Mr. Kendall said that the Army, like other shippers, has been having difficulty in securing sufficient squipment to meet its requirements, particularly in fulfilling commitments to occupation forces. He added, however, that recent studies have resulted in improved loading at military installations. In addition, 90 Army-owned box cars have been leased to the railroads to expedite grain and merchandise movements. A "large number" of other Army-owned steel box cars built in 1944 have been located at an Army Ordnance plant in the East and negotiations are now being carried on to secure for the railroads as many of these cars as the War Department feels are now temporarily surplus, Mr. Kendall also said.

The usual turn-around and detention reports indicated that the turn-around time for all freight cars in January was 14.95 days, compared with December's 15.78 days. There was a decrease, however, in the percentage of cars detained in excess of the free time, the January figure being 17.98 per cent, as compared with 18.14 per cent in December, 1946, and 19.82 per cent in January, 1946.

Fletcher Sees Little F. R. P. Conflict with A. A. R.

President R. V. Fletcher of the Association of American Railroads, commenting upon the announcement of the program of the Federation of Railway Progress (reported on page 445 herein), said on February 26:

"In announcing his new federation Mr. Robert R. Young says that it will be for progress, efficiency, and better railroad earnings. These objectives offer no material area for conflict between the new federation and the Association of American Railroads.

"As Mr. Young pointed out in announcing his new federation," Judge Fletcher went on, "the three railroads which he controls through the Alleghany holding company continue to be a part of the A. A. R., working with the association and its other members toward such desirable ends as improvements in plant, equipment and services, in the most effective use of freight cars, and in other technological and operating phases of railroading. They continue, in fact, to participate in work covered by approximately three-fourths of the association's general budget.

"One point of difference suggested by Mr. Young was his statement to the effect that the new federation would be found lobbying for competitive practices while the A. A. R. lobbies for noncompetitive practices. Presumably this refers to the support of the Bulwinkle-Reed bill by the A. A. R. and its members, along with virtually all the shippers of every section of the country.

"Indeed, the bill receives substantial support from Mr. Young, who sent Mr. Purcell, general counsel of the Chesapeake & Ohio, before the Senate committee to indorse as necessary the features of the bill which apply to rate conferences, while suggesting no more than minor modifications in its other features.

"As to Mr. Young's insistence upon what he terms banker domination of railroads, and of the A. A. R., I can only say that in 36 years in the railroad business I have seen no evidence of such domination. Perhaps the real question is whether the bankers are located in New York or in some other city."

Summer "Mountaineer" Train to Resume Service June 28

The "Mountaineer," fast transcontinental summer train between Chicago and Vancouver, B. C., running via the Canadian Rockies, will be restored to service on June 28, after a lapse of five years, F. G. Fitz-Patrick, vice-president in charge of traffic of the Chicago & North Western, announced last week. The train will operate over the C. & N. W. between Chicago and St. Paul, Minn.; over the Minneapolis, St. Paul & Sault Ste. Marie between that point and North Portal, Sask.; thence via the Canadian Pacific to Vancouver.

The equipment will continue in daily service through August 28, serving Banff, Alta., and Lake Louise, as intermediate points. It will depart from Chicago at 12:30 p.m. arriving at Milwaukee, Wis., at 2 p.m., St. Paul at 8:45 p.m., and Vancouver on the third morning. Eastbound the train will leave Vancouver at 6:45 p.m. St. Paul at 7:05 a.m. the third morning and arrive in Chicago at 3:05 p.m. the third day.

Mr. Fitz-Patrick said schedules for the

"Mountaineer" have been timed to permit passage through the most spectacular sections of the Canadian Rockies during the daytime. The train's equipment will consist of coaches, tourist car, standard sleeping cars with drawing rooms, compartments, bedrooms and sections, and lounge and dining car facilities through to Vancouver.

Freight Car Loadings

Loadings of revenue freight for the week ended February 22 totaled 776,689 cars, the Association of American Railroads announced on February 27. This was a decrease of 23,288 cars, or 2.9 per cent, below the previous week, an increase of 53,408 cars, or 7.4 per cent, above the corresponding week last year, and an increase of 4,293 cars, or 0.6 per cent, above the comparable 1945 week.

Loading of revenue freight for the week ended February 15 totaled 799,977 cars, and the summary for that week as compiled by the Car Service Division, A. A. R., follows:

Revenue Freight Car Loading

For the Week Ended Saturday, February 15

District	1947	1946	1945
Eastern	152,236	138,617	152,531
Allegheny	165,836	126,452	170,364
Pocahontas	62,676	55,328	53,321
Southern	134,330	129,020	129,835
Northwestern	86,696	77,428	81,223
Central Western	132,713	120,972	125,074
Southwestern	65,490	59,237	72,355
Total Western Districts	284,899	257,637	278,652
Total All Roads	799,977	707,054	784,703
Commodities:			
Grain and grain products	51,624	51,843	43,026
Livestock	13,320	18,099	13,942
Coal	178,935	181,840	166,826
Coke	14,509	7,799	14,732
Forest products	49,797	36,318	39,767
Ore	12,233	5,412	12,542
Merchandise l.c.l.	119,097	118,332	103,269
Miscellaneous	360,462	287,411	390,599
February 15	799,977	707,054	784,703
February 8	767,481	713,240	755,832
February 1	835,051	723,301	739,556
January 25	821,964	708,554	759,625
January 18	828,060	749,443	777,572
Cumulative total, 7 weeks	5,570,906	5,027,458	5,283,746

In Canada.—Car loadings for the week ended February 15 totaled 65,909 cars, as compared to 65,241 cars for the previous week and 67.430 cars for the corresponding week last year, according to the compilation of the Dominion Bureau of Statistics.

	Revenue Cars Loaded	Total Cars Rec'd from Connections
Totals for Canada:		
February 15, 1947	65,909	35,352
February 16, 1947	67,430	36,282
Cumulative totals for Canada:		
February 15, 1947	465,182	248,837
February 16, 1947	451,093	236,019

Diesel Program for Professors at Chicago, June 23-27

An intensive one-week educational conference for college and university teachers who give courses in Diesel engineering will be held from June 23 to 27, inclusive, at Chicago, the Diesel Engine Manufacturers Association has announced. The conference will include tours of Diesel engine factories, visits to mechanical engineering school laboratories and classroom lectures.

Enrollment in the session will be limited to 50 professors, who are expected to come from all sections of the country. The program will open on June 23 at the Illinois Institute of Technology, with talks, arranged by the school's mechanical engineering department, on Diesel engine characteristics, research work, lubrication and torsional vibration. The following day a visit will be made to the International Harvester Company's plant at Melrose Park, Ill., where a program will be presented by the company's engineering staff.

On Wednesday of the conference week, the professors will witness demonstrations in the mechanical engineering laboratory of Northwestern university and hear addresses on Diesel engine lubrication and vibration problems. The engineering staff of the Electro-Motive Division of General Motors Corporation will show the production of Diesel locomotives in its successive stages on the fourth day of the session. The conference will be concluded the following day with a program of talks at Chicago's La-Salle hotel, to be delivered by members of the educational committee of the Diesel Engine Manufacturers Association, and by chief engineers of several of the association's manufacturer members.

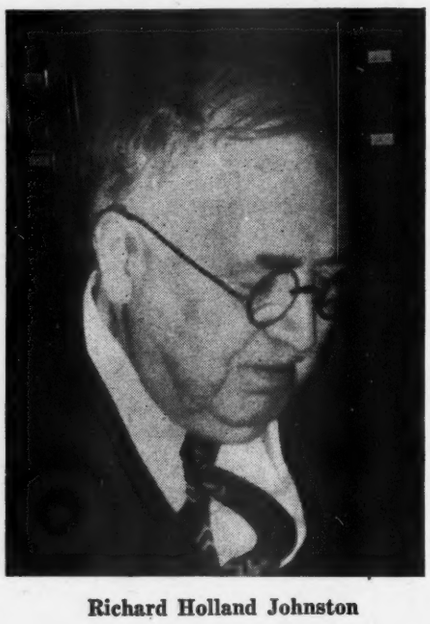
Bureau of Railway Economics Librarian Retires

Richard Holland Johnston, librarian of the Bureau of Railway Economics of the Association of American Railroads in Washington, D. C., retired March 1 after holding that position for 37 years. On August 1, 1910, Mr. Johnston was appointed to establish the library as a service to the railroads and the public. It has developed into the largest transportation reference library in the world, and today contains more than 300,000 books, pamphlets, excerpts, reports and memoranda.

The library's facilities are known and used not only by the railroads, the government and the general public of the United States but also by visitors, railroad administrators and organizations from all parts of the world. Frequently its methods are studied by those who assemble and process transportation material for reference service.

Born in Windsor, Ont., May 6, 1868, Mr. Johnston was graduated from the University of Toronto in 1889. He continued his studies there as a postgraduate until 1892, when he became librarian of Victoria College. In 1897, he went to Washington, D. C., and was assistant and assistant in charge of the reference desk of the Library of Congress for the next 13 years. From 1905 to 1907 he was assistant in the "Spencer Bureau"; during World War I he was field agent for the Library War Service; and from 1918 to 1928 he was a representative for the Seaboard Air Line's traveling library system.

Author of "Special Libraries," Mr. Johnston has compiled or directed the compilation of the numerous bibliographies, bibliographical memoranda and reference lists prepared in the Bureau of Railway Economics Library.



Richard Holland Johnston

I. C. in Gas-Turbine Project

The Illinois Central is now participating in the gas-turbine research project sponsored by seven other roads and four coal companies under the joint auspices of Bituminous Coal Research, Inc., W. A. Johnston, president, announced last week. The road has been associated since 1944 with eight other lines in the development of a steam turbine locomotive.

Fletcher's Statement First of Program to Inform Public

"Railroads Must Have a 6 Per Cent Return," the statement by R. V. Fletcher, president of the Association of American Railroads, which appeared in the *Railway Age* of February 22, page 408, was issued as a result of action taken at the January 31 Chicago meeting of A. A. R. member roads with reference to securing an adequate return for the industry. It is thus expected to be followed by other statements in a continuing program to inform the public as to the condition of the industry and its need for larger earnings.

Auto Makers Deny Their Use of Steel Adds to Car Shortage

A recent statement of Colonel J. Monroe Johnson, director of the Office of Defense Transportation to a House appropriations subcommittee to the effect that the automotive industry recently has been getting a larger proportion of the country's steel output than past consumption warranted has been challenged by George Romney, managing director of the Automobile Manufacturers Association. During the first seven months of 1946, said Mr. Romney, the automotive industry received 25 per cent of the nation's sheet and strip steel production, compared with averages of 35 to 40 per cent in pre-war years.

"During 1946 the automobile industry produced a record-breaking number of civilian motor trucks which went to vital transportation service," he continued in reply to Colonel Johnson. "As you pointed

out to the subcommittee, if it were not for the truck population of the country, the serious transportation crisis which confronts us today would be magnified many times. I am sure that you would not want to do our industry an injustice by leading the public to believe that we are instrumental in causing the present serious freight car crisis. As you know, we are large users of freight transportation and any tie-up of the railroads will have serious repercussions on our operations."

January Ton-Miles

The volume of freight traffic handled by Class I railroads in January increased 3.6 per cent above the corresponding 1946 month, according to a preliminary estimate by the Association of American Railroads. Freight traffic in January amounted to approximately 50 billion ton-miles, which was nearly double that of the same month in 1939.

The accompanying table summarizes revised revenue ton-mile statistics for 1946, and preliminary figures for January.

	1946	1945	Per cent change
11 months actual	542,377,789,000	634,376,276,000	*d* 14.5
December	49,000,000,000	46,295,117,000	*i* 5.8
Year	*a* 591,400,000,000	680,671,393,000	*d* 13.1
	1947	1946	
January	*b* 50,000,000,000	48,241,378,000	*i* 3.6

a Revised estimate.
b Preliminary estimate.

Approve Cotton Belt Spending

An expenditure of $1,875,258 for improvements, repairs and new equipment in 1947 was approved last week for the St. Louis Southwestern by Federal Judge George H. Moore, at St. Louis, Mo. The petition requesting the spending authority stated that $600,000 of the sum would be used for the purchase of new Diesel locomotive equipment.

Philadelphia Passenger Assn. Elects Officers

At a recent meeting in Philadelphia of the Philadelphia Passenger Association, the following officers were elected: T. A. Seery, Reading, president; L. J. McKernan, Union Pacific, first vice-president; E. B. Saltmer, Baltimore & Ohio, second vice-president; A. E. Rohmer, Great Northern, treasurer; L. H. Dahms, Chicago, Rock Island & Pacific, secretary; and H. R. Scott, Pennsylvania, historian.

Moves to Insure Compliance With Car-Loading Order

R. V. Fletcher, president of the Association of American Railroads, has called to the attention of A. A R. member roads a complaint which he received from Deputy Director Homer C. King of the Office of Defense Transportation regarding the failure of railroad agents to comply fully with the minimum-loading requirements of O. D. T. Order 18A. The King complaint came in a February 17 letter which said that O. D. T. has become persuaded from its observation and the information it gets from passing reports that "the local freight agents are either not informed or are intentionally violating the provisions of the order."

"This," Mr. King continued, "is not fair to those shippers who are attempting to live under the order, and it is not fair to the other railroads who have given their agents specific instructions and insist on them living up to them.

"I believe that a great many shippers favor the order because they feel that compliance with it will make more cars available for their use. However, the thing that surprises me most is that the order was written for the benefit of the railroads whose indifference to its policing is causing it to break down. We cannot continue enforcing the order on shippers who are willing to attempt to live under it and allowing others to evade compliance. If we cannot get the support that we should get from the railroads, then I feel that the time has come to cancel the order."

Judge Fletcher's reply said that he "thoroughly" agreed with Mr. King as to the value and importance of the order, which, he added, "has been of immeasurable value in bringing about the maximum utilization of freight car equipment and exceedingly helpful in conservation of car supply." Compliance, the A. A. R. president continued, "is highly desirable on the part of all concerned and it warrants our undivided support."

Judge Fletcher went on to say that he was calling Mr. King's comments to the attention of member roads with the request that they take any action necessary to bring about "full compliance." He also advised that A. A. R. field forces had been instructed to check and report on the observance of the order, adding that he would be glad to have information coming to O. D. T. as to any violations.

Supplementing Judge Fletcher's communications on the matter to executives of member roads, Chairman W. C. Kendall of the Car Service Division sent copies of the correspondence to transportation officers. In an accompanying circular, Mr. Kendall called the King statement "a severe indictment of the railroads." He added: "With car supply as acute as at present and as anticipated to be for some time to come, any relaxation in the standards of loading set up . . . would be disastrous. The order not only insures reasonably adequate utilization of the limited supply of cars available, but is a source of substantial economy in railroad operation."

44 Roads Now in Credit Plan

Nine additional railroads have joined the "travel-and-charge-it" plan operated by the Rail Travel Credit Agency at Chicago, bringing the total number of participating roads to 44, H. W. Siddall, chairman of the agency, reported this week. The list of 35 roads which originally joined the plan appeared in last week's *Railway Age*.

The newly-joined roads are: Norfolk & Western; Minneapolis, St. Paul & Sault Ste. Marie; Pennsylvania-Reading Seashore Lines; Duluth, South Shore & Atlantic; Erie; Grand Trunk system; Duluth, Winnipeg & Pacific; Central Vermont; and Chicago, Indianapolis & Louisville.

Budd Announces New Seat Radio

A new type of "radio seat" for railroad coaches has been announced by the Budd Company. The speaker of the radio is installed behind cushioned upholstery at ear level in the back of the reclining seats which feature Budd's day and night coaches. The speaker is wired to a central receiving unit which has outlets for four different programs. The passenger can make his choice by a finger flick of a dial placed on the arm of his seat and the volume of reception is regulated so that it is said to be completely inaudible to the person sitting in the adjoining seat, enabling two persons sitting side by side to tune in different programs without any interference.

Grain Loadings Get Priority in Canadian Crisis

The Canadian government has taken emergency steps to meet a threatening crisis on the box car front, giving Transport Controller B. S. Liberty power to commandeer cars for the movement of export wheat and feed grains out of the west. These measures, effective for six weeks, gave these grains top priority over other freight on Canadian railroads and were aimed at speeding wheat shipment to Britain and meeting extreme shortages of livestock feed developing in Central Canada. The situation arose from an acute but seasonal shortage of Canadian box cars which have accumulated on United States railroads. Actually, there were, when the emergency measures were ordered, 7,000 more American cars in Canada than Canadian cars across the border but, it was pointed out, most of these are refrigerator and open-top coal cars which are useless for the shipment of wheat and other grains.

Plan 1,000-Mile Net of Toll Roads for Ohio

A 1,000 mi. network of "rubber-tired railroads" to be privately financed by the sale of revenue bonds bearing 2¼ per cent interest and supported by tolls on traffic, is being promoted by a group known as the Ohio Turnpike Committee. As described in the February issue of "The Clevelander", by George Scofield, the committee is headed by W. P. Edmunds, of Cleveland,

Ohio, who is joined in the movement by industrialists, business men and labor leaders. According to the article, the network of roads would cost $650 million and would meet its cost entirely from tolls levied on trucks, cars and buses. Once its cost had been amortized, the network would be turned over to the state. It is believed by the proponents that this plan would bring good roads to the state faster than any other means and that the collection of tolls for special highways is entirely feasible.

Senator Ralph A. Wienter of the state senate will introduce enabling legislation to set up an Ohio Turnpike Commission to carry out the idea.

A. A. R. Informs Shippers on "Glued Unit Loading"

Further refining the "bonded-block" method of loading containers in freight cars (in which the containers are overlapped and built up into large block uniis), which it introduced several years ago, the freight loading and container section of the Association of American Railroads has issued a "Progress Report on Glued Unit Loading System," which is designed to give shippers the most up-to-date information thereon. Developed by the combined efforts of shippers, manufacturers and the railroads, the glued unit loading system, as can be seen from the diagram, consists of of the application of two narrow strips of adhesive at the bottom of each container by a glue applicator as they are stacked in position in the car. As the progress report points out, "The glued unit loading system is simple in operation and can easily be adopted by any shipper with little or no change in his present loading proceedure."

When shippers use the conveyor-type system of loading, the only change necessary is to add the small glue applicator shown. Where a conveyor system is not ordinarily used, a short portable section of conveyor, which includes the glue applicator, can be used between the platform truck and the load in the car. The loader then picks up the containers from the platform truck, passes them over the glue applicator rollers and places them in position in the load.

As the progress report sums it up, "By combining the favorable features of glue and the bonded-block loading method, the bonderizing effects between containers in the load can be materially increased".

Santa Fe Skyway Tests Radio

Ground-air communications tests to determine the practicability of a 12-state, very-high-frequency radio communications system for the Santa Fe Skyway (air subsidiary of the Atchison, Topeka & Santa Fe) were begun on February 21 at Topeka, Kan., the road announced last week. The projected system would be privately installed and owned, and would operate on a frequency assigned by the Federal Communications Commission. A laboratory rail car and a test plane will be used to conduct tests at various points on the line, under the supervision of L. R. Thomas, electronics engineer for the road, in cooperation with Dudley Kesselhuth, engineer for the Bendix Radio Corporation.

Third Quarter Loading Estimates Missed by 2.3 Per Cent

The 13 regional Shippers' Advisory Boards underestimated carloadings for the third quarter of 1946 by 2.3 per cent, according to the latest comparison of the forecasts with actual loadings, issued last week by W. C. Kendall, chairman of the Car Service Division of the Association of American Railroads. The variations by individual boards ranged from an overestimate of 6.6 per cent to an underestimate of 10.5 per cent, while the variations by commodities ranged from an overestimate of 49.9 per cent in the case of chemicals and explosives to an underestimate of 21.4 per cent in the case of hay, straw and alfalfa.

"The overall figures show that the forecast for the third quarter was . . . truly a remarkable showing in view of the many unsettled conditions affecting transportation during the . . . quarter," Mr. Kendall commented.

The report showed that there were overestimates in 17 commodity groups and underestimates in 13. In addition to chemicals and explosives, there were overestimates of 30.8 per cent in cotton seed, soybean—vegetable cake and meal, except oil; 23.6 per cent in automobiles and trucks; and 19.3 per cent in poultry and dairy products. Among large underestimates were 20.1 per cent in gravel, sand and stone and 13.9 per cent in lime and plaster. The report also disclosed that forecasts were overestimated in five board districts and underestimated in eight.

COMPARISON NATIONAL FORECAST WITH ACTUAL LOADINGS—THIRD QUARTER 1946

Board	Carloadings Third Quarter 1946 Estimated	Carloadings Third Quarter Actual	Percentage of Accuracy Over Estimated	Percentage of Accuracy Under Estimated
Alleghany	1,096,533	1,152,599		5.1
Atlantic States	782,946	731,250	6.6	
Central Western	293,567	308,553		5.1
Great Lakes	607,729	579,646	4.6	
Mid-West	975,866	993,409		1.8
New England	110,957	110,401	0.5	
Northwest	783,096	758,712	3.1	
Ohio Valley	973,062	1,075,103		10.5
Pacific Coast	379,429	365,062	3.8	
Pacific Northwest	256,081	258,068		0.8
Southeast	816,188	854,396		4.7
Southwest	469,745	518,401		10.4
Trans-Mo-Kansas	441,293	463,124		4.9
Total	7,986,492	8,168,724		2.3

Pacific Coast Shippers Meeting

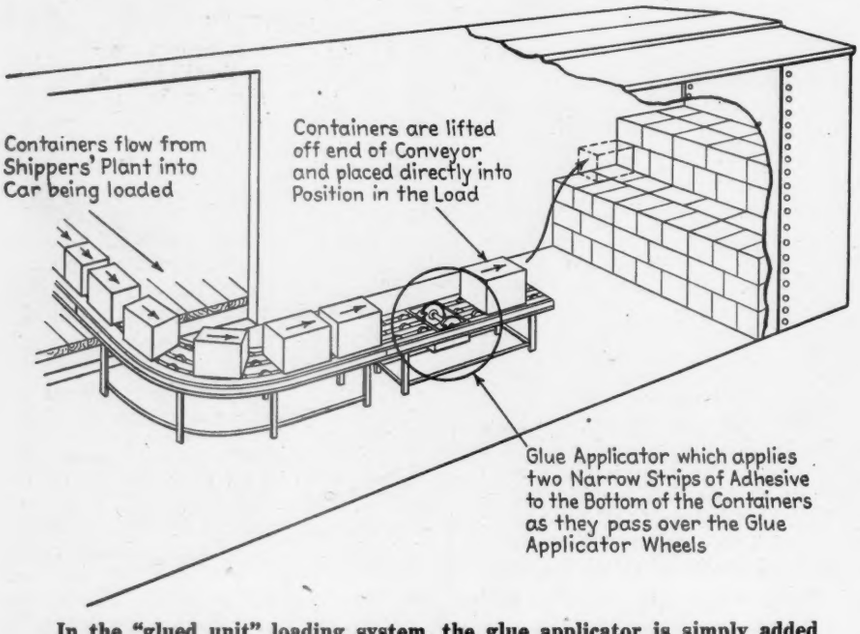
The Pacific Coast Transportation Advisory Board will hold its 72nd regular meeting in San Francisco, Cal., on March 12 and 13, at the Palace hotel. Carl R. Gray, Jr., vice-president of the Chicago & North Western, will address the board's luncheon session.

Ask No Change in Rail Pick-up and Delivery Service

Pick-up and delivery service by railroads should be allowed to continue as it is presently handled, without a plus-charge, witnesses representing several roads testified at Chicago last week during the initial Interstate Commerce Commission hearing investigating this service as offered by both rail and motor carriers, docketed as No. 29555 and No. MC-C-542.

Rail representatives were joined by witnesses for the truckers and shipper organizations in testimony during the three-day hearing, which concerned principally the presentation of its own studies of costs by the commission. (See *Railway Age* of June 22, 1946, page 1230, and October 26, 1946, page 698). Results of this investigation, in the form of eight studies containing detailed data, by size of shipment, on the territorial average costs for pick-up and delivery service by Class I line-haul motor carriers, were presented as exhibits by W. M. Plank, I. C. C. cost analyst.

The hearing clearly defined the viewpoints held by the interested groups. Representatives of the railroads indicated the present system should remain intact, and the motor carriers testified that their costs of conducting pick-up and delivery service should be considered as inclusive in the line-haul


Containers flow from Shippers' Plant into Car being loaded
Containers are lifted off end of Conveyor and placed directly into Position in the Load
Glue Applicator which applies two Narrow Strips of Adhesive to the Bottom of the Containers as they pass over the Glue Applicator Wheels

In the "glued unit" loading system, the glue applicator is simply added to the normal conveyor system which many shippers use to load cars

rate. The shippers made it known that they want the service to continue, but desire that their allowances, when pick-up or delivery service is performed by the shipper or receiver, be equal to that paid to cartage firms for the service.

J. L. Webb, manager of stations and motor service of the Pennsylvania, declared that if pick-up and delivery service was eliminated, terminal space would have to be enlarged to accommodate shippers' vehicles. He also concurred in testimony of Fred Carpi, assistant general traffic manager of the Pennsylvania, that less-than-carload service should be all-inclusive, with no plus-charge. Other railroad witnesses declared that the pick-up and delivery service is an important factor in the retention of l. c. l. traffic. Trucker, witnesses testified against the formation of a two-system freight rate basis—one with pick-up and delivery service and the other without the service—urging that the present system employed by motor carriers be retained.

The hearing was conducted by Commissioner John Rogers. Additional hearings into the matter are planned at times and place to be announced by the commission.

Palmer States New Haven Case for Higher Fares

The economic and social welfare of southern New England will be adversely affected if the New York, New Haven & Hartford's request for authority to institute higher passenger fares is not granted, Howard S. Palmer, trustee and president of the New Haven, told Interstate Commerce Commissioner John L. Rogers and Examiner Burton Fuller at a hearing in the Hartford, Conn., federal building on February 25 on the road's application in the No. 29678 proceeding. From a traffic standpoint, Mr. Palmer said, the New Haven is in an exceptional position because it derives an unusually large portion of its gross revenues from passenger operations. In 1946, he added, about 47 per cent of the road's operating revenues came from that source.

The New Haven is requesting I.C.C. permission to increase the present interstate coach fare of 2.2 cents a mile by 3 mills, or 13.63 per cent, and the present parlor and sleeping car fare of 3.3 cents a mile by 2 mills, or 6.06 per cent, adding enough to each of the figures thus obtained to make the last digit of all fares end in "zero" or "five," with a minimum fare of 20 cents.

On the present basis of rates and fares, Mr. Palmer estimated the road would have a net income deficit this year of $7,125,000, after allowing for a non-recurring federal income carryback tax credit of about $2,705,000, compared with an actual deficit of $6,365,788 in 1946. Increased costs of fuel, labor and materials, it is estimated, will be $21,200,000 and the freight rate increase, based on an anticipated traffic volume slightly under the 1946 level, will yield an additional $13,700,000. Increased costs, he said, will thus exceed the anticipated additional freight revenue by $7,500,000.

"We intend to demonstrate, in successive steps, of which this proceeding for higher maximum one-way basic passenger fares is one, the justification for substantially higher commutation rates, higher express rates, higher mail compensation and higher rates for certain l.c.l. freight, particularly that which enjoys pickup and delivery service," Mr. Palmer continued. "While the freight rate increase effective on last January 1 gives the New Haven an overall average increase of approximately 19.8 per cent in its freight revenues, compared with the rates which were in effect on June 30, 1946, our extensive passenger operations dilute this percentage so that on total operating revenues the increase is only about 9 per cent."

The question naturally arises, he said, as to the possibility of drastic curtailment of expenditures and expenses. "Having over a period of 40 years seen in several depressions the far-reaching and harmful effect of arbitrarily cutting maintenance and laying off good men regardless of the effect on the properties," Mr. Palmer went on, "I wish to emphasize that the too common application of drastic reductions in this manner is a false, shortsighted policy which results in far greater expenditures in the years that follow. I submit that the only sound approach is to attempt at least to make the various major operations of railroads pay their own way."

Rail passenger fares should be brought into line with the increased price structure which characterizes our national economy and this is especially true in the case of the New Haven, which cannot operate on what on some railroads amounts to a freight subsidy to cover its passenger service losses, Mr. Palmer said. Each week of delay in granting the passenger fare increases sought adds about $100,000 to the road's deficits, he explained. Even if the increase should be granted effective March 1, only about $4,400,000 additional would be realized during the remainder of this year.

Mr. Palmer urged the utmost speed in handing down a decision on the New Haven's application, without regard to the decision in the road's petition for an increase in its commutation fare, which is set for hearing on March 27, and without regard to similar petitions received, or which may be received, from other railroads.

Detailed statistical data pertaining to the financial and operational situations of the New Haven with respect to the request for the fare increase was presented by George T. Carmicheal, vice-president, accounting, and Frank J. Wall, vice-president in charge of traffic.

New York Central Gets Six Diesel Units from Alco

The delivery of six 1,500-hp. Diesel-electric freight locomotive units built by the American Locomotive Company has been announced by the New York Central. These units are part of an order for 66 Diesel-electric units of various horsepowers placed early last year with three builders at an estimated cost of $11,100,000. Delivery of all the units is expected to be completed in May, the railroad said.

Club Meetings

A meeting of the Car Foremen's Association of Chicago has been scheduled for March 10 at 8 p.m. in the Union Station, Chicago. A paper entitled "Reclamation of Car Repair Material" will be presented by G. A. Goerner, general storekeeper of the Chicago, Burlington & Quincy.

The New England Railroad Club will meet at the Hotel Vendome, Boston, Mass., on March 11 at 6.30 p.m. The speaker will be Dr. Philip Thomas, research engineer of the Westinghouse Electric Corp., whose subject is "Adventure in Research." The annual meeting and election of officers also will be held.

The General News department is continued on page 481.

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The Illinois Central's five-car streamliner "Land O' Corn," placed in service between Chicago and Waterloo, Iowa, on February 12, shown leaving Rockford, Ill.

With the Government Agencies

Crosser Act Repealer Introduced in House

Senate gets Hawkes bill to end sickness benefits and cut unemployment tax

Repeal of the Crosser Act, which was enacted July 31, 1946, to carry out the Railway Labor Executives' Association program for liberalizing the Railroad Retirement and Railroad Unemployment Insurance acts, is proposed in a bill, H. R. 2169, introduced in the House by Representative Gillette, Republican of Pennsylvania. Meanwhile, Senator Hawkes, Republican of New Jersey, has introduced in the Senate S. 670 to strike from the Unemployment Insurance Act the sickness and maternity benefit provisions added by the Crosser Act, and to put the unemployment-insurance taxes on a sliding scale basis which would immediately reduce this levy (paid entirely by the railroads) from 3 per cent to ½ per cent of taxable payroll.

Many Complaints—In introducing his bill Representative Gillette made a statement in the House, saying that the proposal was based on his assumption that the best way for Congress to resolve controversies about the Crosser Act is to "correct the serious mistake" made in passing that act, and "begin all over again to set up a system that will be satisfactory to the majority of employees and workable so far as the companies are concerned." Previously, Mr. Gillette had referred to the "great number" of requests for repeal which he has been receiving from railroad employees, "most of them saying that they never wanted [the Crosser Act] in the first place." Other congressmen have told him that they, too, have been receiving similar complaints.

"There were some of us in the seventy-ninth Congress, and I feel there are many more of us in the eightieth Congress, who feel the Crosser Act is not in the best interest of the employees or the companies, and our feeling in that respect has been greatly strengthened by the strong ground swell of resentment to the act by the employees themselves," Mr. Gillette also said. He went on to point out that the railroad retirement system is financed by taxes on employees and management, while the unemployment insurance system levies its tax on management only.

"I think," he added, "the interest of each of these contributors should be given due consideration. I might say, in a sentence, that the Crosser Act merely extended the bureaucracy of the Railroad Retirement Board, without satisfying the employees or the companies."

The bill would repeal the entire Crosser Act, but it does have provisions preserving the rights of anyone who secured an annuity or an increased annuity under that act. Also, there are provisions for paying unemployment and sickness benefits in accordance with the Crosser Act to those with "fully accrued" claims as of the repealer's enactment date.

Hawkes' Proposals—The Hawkes bill is drawn generally along the lines of the unemployment-insurance part of the so-called substitute bill which the House committee on interstate and foreign commerce tried unsuccessfully to have enacted last year instead of the Crosser Act. As indicated above, Mr. Hawkes proposes to eliminate the sickness and maternity benefit provisions, and to put the unemployment insurance taxes on a "merit rating" basis in view of the fact that the balance in the Unemployment Insurance Fund has now reached approximately $850,000,000.

The bill provides that the balance in this fund would be determined as of September 30 each year. When such balance is shown to be $350,000,000 or more, the tax for the next succeeding calendar year would be ½ per cent of taxable payroll. If the balance is $300,000,000 or more but less than $350,000,000, the tax becomes 1 per cent; $250,000,000 or more but less than $300,000,000—1½ per cent; $200,000,000 or more but less than $250,000,000—2 per cent; $150,000,000 or more but less than $200,000,000—2½ per cent; less than $150,000,000—3 per cent.

Rejects Motor-Rate Plea of Agriculture Department

The Interstate Commerce Commission has denied the recent petition wherein the Department of Agriculture sought a general investigation with respect to revenue needs of motor carriers of freight. The petition, noted in the *Railway Age* of January 11, page 155, also asked the commission, during the pendency of the investigation sought, to defer making any decisions on trucker proposals to bring their rates into line with the Ex Parte 162 adjustment authorized for railroads.

The department was advised of the commission's action by letter from I. C. C. Secretary W. P. Bartel.

Another Resolution to Carry Out St. Lawrence Agreement

Another resolution to approve the agreement with Canada for the development of the St. Lawrence seaway and power project has been received by Congress. It is House Joint Resolution 132, sponsored by Representative Blatnik, Republican of Minnesota.

Freight-Car Program Set at 10,000 Monthly

Steel industry promises to increase allotments to builders and railroads

Responding to a prediction by R. V. Fletcher, president of the Association of American Railroads, that 125,000 new freight cars, including the 82,600 now on order, would be built in 1947 "if the railroad industry could have the benefit of sufficient steel," steel manufacturers this week promised the allocation of enough steel to car builders and railroads to increase the monthly output to 10,000 cars.

Agreement by the steel industry to meet that goal resulted from a conference called February 26 by a subcommittee of the Senate committee on interstate and foreign commerce. The conference, attended by high-ranking officers of 18 Class I roads and representatives of 8 car building concerns, 11 steel companies, the Interstate Commerce Commission, the Office of Defense Transportation, the Civilian Production Administration branch of the Office of Temporary Controls and other government agencies, marked the climax of the subcommittee's investigation of the shortage of box cars. Railroad purchasing officers and officers of refrigerator car companies also attended the conference.

Begins in June—According to the subcommittee chairman, Senator Reed, Republican of Kansas, who introduced Senate Resolution 47, which called for the investigation, the 10,000-car program will become effective "as soon as it can be put into operation," added that the first delivery of 10,000 cars monthly could be expected in June. He said that the subcommittee has "ordered" Judge Fletcher "to see that the railroads ordered enough cars to meet the 10,000-car program."

Noting that the program is entirely "voluntary" on the part of the steel industry and that no date has been set for its termination, Senator Reed said that he has named Colonel J. Monroe Johnson, director of the O. D. T., and P. J. Treacy, of the C. P. A.'s so-called Steel Branch, to set up a "task committee" which he said will "work out" the details pertaining to the allocation of steel to the car builders and railroads which have facilities to build their own cars. Senator Reed indicated that it would be necessary for the steel industry to "recalculate" its present commitments which are based on orders supplying sufficient steel for the construction of 7,000 cars monthly.

The subcommittee chairman said that David Austin, vice-president of the United States Steel Corporation, was the first to

respond to the plea of the railroads and car builders for more steel, adding that "the others soon followed." "It was the first time that I almost kissed a vice-president of United States Steel," Senator Reed remarked.

Still Not Enough—Noting further that steel production was off by approximately 13,000,000 tons in 1946 because of strikes, Senator Reed said that he hoped the increased freight car production program would not necessitate taking steel away from other industries. Declaring that even 10,000 new cars monthly would fall "shy" of the railroads' actual requirements, he said that "about one-half" of the steel promised for the new program would be used for the construction of box cars. He added that the additional allotment also would expedite the repair of bad order cars.

Declaring that railroad officers appreciate the seriousness of the shortage and "are using every means in their power to handle the traffic of the country," Judge Fletcher told the subcommittee that the number of cars each railroad will purchase "in the next year, or the next two years" depends upon the supply of available material, the amount of traffic which is being tendered the railroads, the financial results of operation for the next few months and upon the state of railroad credit and "various other undeterminable and intangible factors."

"At the present time, there are approximately 82,600 cars on order," the A. A. R. president said in a prepared statement. "In . . . 1946, 41,955 cars were produced and delivered to the railroads from the car manufacturers and from the construction shops of the railroads. This did not by any means represent the number of cars which the railroads had ordered and which they had contemplated building in their own shops."

First Plan Inadequate—Judge Fletcher said that the A. A. R. recently made representations to the Iron and Steel Institute urging a greater allotment of steel for car building, adding that as a result of the combined efforts of the railroads, the O. D. T. and the C. P. A., assurances were given "some three weeks ago" that 165,000 tons of steel would be allocated monthly to the car builders for use in constructing and repairing freight cars. He said that the 165,000-ton allotment was presumed to be sufficient to permit the construction of 7,000 new cars monthly and to take care of necessary repairs.

"As a result of certain correspondence that has passed between the steel producers and some of the railroads, considerable doubt has been raised in the minds of railroad officials as to whether as much as 165,000 tons of steel monthly will be allocated for the construction and repair of railroad equipment," he continued. "In this connection, it should not be overlooked that the railroads need steel currently for other purposes than the construction and repair of equipment. A certain amount of available steel must be used for track maintenance, consisting, for example, of new rail, repairs to bridges and track fastenings."

Stating that the production of 7,000 new cars monthly will not "satisfactorily take care of the situation," Judge Fletcher added that 4,600,000 tons of steel would have to be allocated yearly in order to construct 10,000 new cars monthly and take care of needed maintenance. He said that while the construction of 125,000 cars this year "may seem to be an inadequate number, it must be borne in mind that at the present time, due to the scarcity of steel, there are a number of cars awaiting heavy repairs which, if the steel were available, could, without much delay, be put into service."

Six Months' Wait for Parts—Asserting that there is a "considerable" number of cars now out of service because of the lack of steel to make repairs, Judge Fletcher reported that "one important railroad" has had approximately 700 of its "badly needed" hoppers standing idle in bad order for about six months due to the inability of the company which supplies fabricated parts, to secure the necessary steel.

Of the 165,000 tons of steel promised the car builders, Judge Fletcher said that 63,000 tons would be used for the manufacture of plates; 37,000 tons for shapes; 24,000 tons for bars; 22,000 tons for sheets; 12,500 tons for axles, and the remaining 6,300 tons for pipe and billets.

"This feature of the matter is important, since our experience indicates that some of these varieties are much scarcer than others," he said. "Or to state it otherwise, the program for both construction and repairs might be held up on account of the absence of one particular classification of material, although there might be sufficient amounts of other classifications to go forward with the program. It is obvious that the critical element of the problem of securing new cars is the shortage of steel. If ample steel could be secured for construction and repairs, the railroads . . . would . . . take steps which would materially alleviate the present distressing situation. It should be remembered that in many cases orders have been on the books of the car manufacturers for more than 12 months and requests for steel by the railroads manufacturing their own cars have been similarly delayed."

Can't Place Orders—Declaring that many railroads also are now finding difficulty in getting steel companies to accept orders for steel for both construction and maintenance purposes, Judge Fletcher also produced a table which showed that the railroads consumed an estimated 9.2 per cent of the steel produced in 1946. In the latter connection, he observed that the steel consumed by the railroads included rail and track maintenance items, in addition to that used for construction and repairs.

"According to our best judgment, the percentage should not be less than 11.5 per cent at this time, if the railroads are to secure sufficient material to carry out a car building and car repairing program which would materially relieve the present situation," he concluded.

According to Senator Reed, who described Judge Fletcher's statement as being "hopeful," those attending the conference unanimously agreed that the freight car shortage was the "most critical thing facing the country today." He said that the conference marked the first time that the railroads, car builders, the steel industry and government agencies have conferred collectively on the issue, adding that in past instances "each group has been held in water-tight compartments."

Pointing out that the railroads derive virtually all of their revenue from freight traffic, Senator Reed said that additional cars are needed immediately in order to cut down the backlogs of shipments which have developed throughout the country as a result of the shortage of equipment. At the same time, he charged the C. P. A. with being "tragically unaware" of the existing situation.

Good News to Johnson—Senator Reed said that Chairman Aitchison of the I. C. C. told the conference that the commission "can go as far as to tell individual railroads to acquire a certain number of cars," but that this did not indicate that the commission would do so. The subcommittee chairman also reported that Colonel Johnson, while advocating the construction of 300,000 new freight cars yearly, regarded the 10,000-car program to be "best news he has had in five years."

With respect to the comparatively small number of orders for new cars placed by the railroads in the first half of 1946, Senator Reed said that the railroads were hesitant because of the predictions of "fake economists" in Washington "who predicted a recession which didn't come." At the same time, he said that he had been informed that many railroads cancelled their orders because the car builders were unable to procure sufficient steel.

Senator Reed also announced that members of the subcommittee were scheduled to report the conference results to President Truman, who, Senator Reed said, had endorsed the subcommittee's program of procuring sufficient steel to produce 10,000 new cars monthly. The subcommittee recently conuferred with President Truman and several members of his staff, including Dr. John R. Steelman, director of the Office of War Mobilization and Reconversion, with respect to the freight car shortage.

The President also announced at a recent press conference that the box car shortage had been brought to his attention.

Although he stated that there was still a shortage of materials used in the manufacture of component parts for freight cars, particularly wheels, S. M. Felton, president of the American Railway Car Institute, nevertheless expressed enthusiasm over the 10,000-car program. "We can do it if we get the steel," he said, "and it looks as if we're going to get it."

Extends Maritime Commission Authority to Operate Ships

President Truman on February 26 signed House Joint Resolution 114 which extends from March 1 until July 1 the authority of the United States Maritime Commission to operate as a water carrier on domestic routes. The resolution was adopted last week by both houses of Congress.

It also provides that the Interstate Commerce Commission may extend for a period in excess of 180 days, but not longer than July 1, the "temporary" authority under which M. C. has been operating in coastwise

and intercoastal services. Such extension until July 1 is sought by M. C. in a petition filed with the I. C. C. this week.

The I. C. C. has had wartime power to authorize temporary water-carrier operations for a period longer than the 180 days specified in the Interstate Commerce Act; but such power is embodied in the Second War Powers Act which is scheduled to expire March 31.

Affirms Decision Bringing U. P. Supervisors Under Labor Act

Reporting on reargument, the Interstate Commerce Commission has affirmed its July 19, 1946, decision which in turn had affirmed findings of prior reports wherein Division 3 had interpreted and amended outstanding commission orders defining the work of railroad employees and subordinate officials to include the work of various Union Pacific supervisors. The effect of the decision is to bring the employees involved under the provisions of the Railway Labor Act.

At the reargument, held last month, the Association of American Railroads supported the U. P. undertaking to have the ruling modified. Commissioner Miller, a dissenter to the prior report, again filed a brief statement of his disagreement with the majority, while the dissents of the Commissioners Lee and Rogers were noted. Commissioner Barnard, "being necessarily absent," did not participate.

Dissenter Miller said it appeared that the U. P.'s "chief object" in seeking a finding that the employees involved were "officials," was to prevent them from joining labor unions. He agreed with the majority report's statement that whether or not the employees join unions "does not depend upon our findings," and then went on to venture the suggestion that "the one thing most likely to deter them from doing so is for respondent to make their compensation, rules, and working conditions so attractive that there will be no incentive for their joining unions."

Rush Air-Safety Report to Get More Federal Money

The House committee on interstate and foreign commerce has rushed through a preliminary report on its investigation of safety in air navigation in order that its recommendations for additional government spending on aids to air transportation might be before the House committee on appropriations which is now considering the budgets of federal departments and agencies concerned with civilian aviation. This purpose of the preliminary report was revealed by the chairman of the interstate commerce committee, Representative Wolverton, Republican of New Jersey, in a brief statement which he made to the House last week.

As Mr. Wolverton pointed out, the preliminary report recommends additional appropriations for such aviation aids as "airport landing lights, in-flight weather reporting, meteoroligical studies, and basic research." These he called things "which fall peculiarly within the sphere of government responsibility," meanwhile asserting that "the committee takes by no means the view that air safety is exclusively the concern of the government. On the contrary, there are a great many things which the manufacturers of engines, instruments, and airframes, as well as the operators of aircraft can contribute."

Along with the preliminary report, the appropriations committee will also have before it a supplemental budget estimate wherein President Truman is seeking for the Department of Commerce additional fiscal 1947 appropriations totaling $2,200,000, including $1,850,000 for use by the Civil Aeronautics Administration in the establishment, maintenance, and operation of ground-control approach radar aircraft landing systems at 20 selected airports.

The Senate, too, has received an interim report from the subcommittee of its committee on interstate and foreign commerce which also conducted a recent investigation into the safety of air travel. This report recommends that the Civil Aeronautics Administration be directed by Congress to use all unexpended fiscal 1947 funds appropriated for the federal-aid airport program "for the installation of navigational aids and other necessary improvements to existing airports." The committee estimated that approximately $45,000,000 would thus become available, and it suggested that Congress enact legislation necessary to authorize the reallocation.

Meanwhile, the subcommittee expressed its opposition to proposals that the air lines be charged for use of the improved facilities. "The Subcommittee on Air Safety," the report said, "is keenly aware of the critical financial conditions of most domestic and international American flag air lines. They believe it inadvisable at present to create a tax on air lines as part payment for their use of proposed navigational facilities when such a tax may force one, and possibly more, into bankruptcy."

Car Service Orders

The Interstate Commerce Commission has issued Amendment No. 6 to Service Order No. 260 which prohibitis salting of ice in bunkers of refrigerator cars loaded with citrus fruits in California, Arizona, Texas or Florida. The amendment reinstates for the period February 24 through May 15 the exception allowing 3 per cent salting in connection with Florida citrus shipments consisting of tangerines to the extent of 50 per cent or more.

Service Order No. 648, providing car-supply priority for foreign relief grain and requiring permits for other carload shipments of grain at specified western markets, has again been modified by Amendment No. 5 which undoes the work of Amendment No. 4. As noted in the *Railway Age* of February 22, page 425, the latter extended the coverage of the order to six additional points which are now out again under provisions of the present amendment.

Three orders which would have expired this week or next have been amended to set back their expiration dates. Thus extended until June 30 are Service Order No. 129 which suspends Section 2 of Rule 32 of the Consolidated Freight Classification insofar as it requires payment for body ice taken from refrigerator cars by consignees; and Service Order No. 624 which provides car-supply priority and governs the issuance of permits for the movement of export grain through North Atlantic ports. The third extension, to July 1, was that of Fourth Revised Service Order No. 180 which provides for super-demurrage charges on refrigerator cars.

Relaxations of the Office of Defense Transportation's l. c. l. minimum-loading order, which were made effective last October to aid in relieving freight-house congestion, have been further extended from February 28 to May 1. The relaxations are embodied in General Permits ODT 1, Revised-10 and Revised-11. The first waives the order's 10-ton minimum loading requirements with respect to westbound and southbound l. c. l. cars from official territory east of the Indiana-Illinois state line (not including any point within the Chicago switching district); under the second, eastbound l. c. l. cars may be forwarded from the same territory, but including the Chicago switching district, when consigned to any one destination with a minimum of 7½ tons per car.

Technicians and Subordinate Officials in Separate Crafts

"Technical engineers, architects, draftsmen and allied workers below the rank of official as defined [by the Interstate Commerce Commission] in Ex Parte 72" and "subordinate officials in the maintenance of way and structures department" are each a separate craft or class for representation purposes under the Railway Labor Act, the National Mediation Board has ruled. The ruling came in connection with the board's consideration of applications filed by the International Federation of Technical Engineers, Architects & Draftsmen's Union, American Federation of Labor, for an election among such employees of the Texas & Pacific.

The board's finding involved rejection of the Federation's contention that the technicians and subordinate officials comprised a single craft. The board also ruled on claims of intervening unions which disputed the assignment of certain positions to the two groups under consideration. In this connection the Brotherhood of Railway Clerks claimed that the crafts it represented should include the positions of assistant engineer—valuation, assistant engineer—budget—A. F. E., and mechanical assistant—valuation. The Brotherhood of Maintenance of Way Employees claimed the positions of supervisor of work equipment, water service supervisors, chief scale inspector, scale inspectors, and assistant scale inspector. The Brotherhood of Railway Signalmen claimed the positions of signal supervisors, assistant signal supervisors, and signal draftsmen.

The board's rulings on these claims reject those as to the supervisors of work equipment, signal supervisors and assistant signal supervisors, which are put in the "subordinate officials" class; and those as to the assistant engineer—budget—A. F. E. and signal draftsmen which are put in the "technical engineer" group. Since the Federation made no claim to represent the position of assistant engineer—valuation, the board made no ruling as to its proper classification. The other disputed positions

were found by the board to be outside the two crafts with which it was dealing, but it made no determination as to their proper classification, "since that subject is not in dispute in this case."

With the crafts of "subordinate officials" and "technical engineers" determined, the decision said that a mediator would be assigned to conduct an election among those two groups.

Emergency Board Reports on Rutland Disputes

The White House has made public reports of the National Railway Labor Panel emergency board which investigated disputes concerning paid vacations between the Rutland and its employees who are represented by the Order of Railroad Telegraphers, Brotherhood of Railway Clerks, and Brotherhood of Maintenance of Way Employees. The board made three reports, dealing separately with demands of each of the three unions; but it recommended in all of them that the vacations matter be deferred until pending wage disputes are settled on the road.

The wage disputes involve demands of the same unions for increases in line with the national adjustment of last spring, the road having made settlements with its operating employees. The road offered to the employees here involved similar settlements which would have resolved both the wage and vacations disputes, but the three unions were unwilling to mingle the two claims. Thus the emergency board concluded all three reports as follows:

"Considering the precarious financial condition of the carrier and the large amount involved in the unsettled wage disputes, aggregating over ten times the cost of the vacations demanded by all of the non-operating crafts, we consider it would be preposterous for us to recommend that the trustee enter into the proposed vacation agreement before and without any settlement of the immensely larger wage question. The cash situation is so close that to prefer any one group of employees might very easily be at the expense of other employees and probably, ultimately, all of them."

Representation of Employees

The Switchmen's Union of North America has extended its coverage to include all yardmen, including foremen, helpers and switchtenders, employed by the Chicago Great Western, as the result of a recent election which has been certified by the National Mediation Board. At the time of the election, in which the S. U. of N. A. defeated the Brotherhood of Railroad Trainmen, 164 to 135, the latter represented yardmen on the former South St. Paul Bridge & Terminal, which is now a part of the C. G. W., while all other yardmen employed by the parent road were represented by the victorious union.

The B. of R. T. has also been replaced by the Railroad Yardmasters of America as the representative of yardmasters employed by the Virginian. As the result of other elections, the Brotherhood of Locomotive Firemen & Enginemen retained its right to represent locomotive firemen, hostlers and hostler helpers employed by the Central of New Jersey by defeating the Brotherhood of Locomotive Engineers, 415 to 216, while Bangor & Aroostook bus operators, who formerly were without representation, are now represented by the Amalgamated Association of Steet, Electric Railway & Motor Coach Employes of America.

The B. of L. F. & E. defeated the United Steelworkers of America, C. I. O., 14 to 12, to replace the latter as the representative of locomotive engineers employed by the Cuyahoga Valley. At the same time, however, the C. I. O. union defeated the B. of L. F. & E., 23 to 12, thereby retaining its right to represent locomotive firemen and hostlers employed by the same road.

Washington Station U. S. O. Lounge Closed

The U. S. O. Lounge in the Washington (D. C.) Union station, which had been in operation since May 10, 1942, closed February 28. B. R. Tolson, manager of the Washington Terminal, said that over 6½ million members of the armed services had registered during this period. The space used for the lounge was what is known as the "State Reception Suite" which, in normal times, is used by the President, officials of foreign governments and other dignitaries.

Canadian Roads Press Plea for 30% Rate Increase

What is expected to be a prolonged proceeding to obtain rate increases for the Canadian railroads has gotten under way in Ottawa in hearings before the Board of Transport Commissioners, in which the carriers' application for a 30 per cent freight rate increase is being bitterly contested by representatives of seven of the nine Canadian provinces.

Before the railroads' evidence could be presented to the board the opposition had carried the case to the courts, disputing the board's authority even to consider it. Justice Kerwin of the Supreme Court of Canada, however, ruled immediately after hearing the argument that the board's powers are adequate to conduct the hearing.

As the hearing got under way it appeared that among the principal points with which the board's consideration of the application would have to deal were:

1. Opposition of the Western provinces to a rate increase on the ground that existing rates in that area are higher than in Eastern Canada.

2. The expressed intention of British Columbia subsequently to seek removal of the so-called mountain differential applied for moving freight across the Rocky mountains.

3. The railroads' contention that failure to obtain adequate increases might result in their eventual bankruptcy.

4. Whether flat "across the board" increases are the logical means of meeting the carriers' immediate needs.

The railroads' case was introduced by formal statements by R. C. Vaughan, chairman and president of the Canadian National, and George A. Walker, vice-president of the Canadian Pacific. Mr. Vaughan said in part:

"When the war began, we had behind us four years of deep depression, followed by several years of slow recovery. We had been forced to cut our garment according to the cloth. Services had been curtailed, maintenance work, except what was immediately necessary for safe and efficient operation, had been deferred, staffs had been thinned out and wages reduced. When these facts are taken into consideration, I think it speaks well for the railways that they were able to assume the unprecedentedly heavy task of the war and carry it through with honor to themselves and to Canada. At the same time, it would be well to remember that the temporary prosperity that came to the railways as a result of their war service, came at the end of a decade decidedly lean and difficult.

"Wage adjustments added $622,000 to the Canadian National's Canadian line expenses in 1939. In 1941, the cost of living bonus added more than $6,000,000; in 1942, $15,549,000; in 1943, $18,918,000. Our United States lines are not included in these figures. Increases authorized in 1944, retroactive to various dates in 1943, added approximately $14,000,000 to the system annual payroll. As compared with 1939, on all lines we were paying $47,823,000 more in wages in 1944. From the start of the war to the end of 1945, wage increases had cost us for the system, $146,261,000. Increases authorized in August, 1946, retroactive to June, further increased our Canadian payroll by approximately $23,631,000 per annum.

"In 1947, the average wage rate of Canadian employees will be 41 per cent higher than in 1939. The average purchase price of materials and supplies in Canada has risen from $1.00 per unit in 1939, to $1.42 in 1947. This year, wages and materials will cost our Canadian lines over $90,000,000 more than we would have had to pay at the 1939 wage rate and the 1939 cost of materials.

"Although, during the war, we were able to show surpluses in the face of these increases, this was possible only because of the wartime volume of traffic and its character. We still have with us the wage and material increases but the volume and character of the traffic have changed."

Mr. Walker's statement included the following observations:

"One of the most important problems facing the country is that of the proper relation of transportation costs to the general price structure; and a prompt increase in freight rates must be made if sound economic conditions in transportation are to be restored and the railways enabled to provide the adequate and efficient service which the Railway Act requires of them and which the Canadian public is entitled to receive. The experience of the United States and Great Britain demonstrates that the only method of meeting these extraordinary increases in operating costs is by increasing railway rates; and the Canadian experience in relation to other industries, such as steel, coal, pulp and paper, points inevitably to the same conclusion. No other sound method has been suggested either by government or rate regulating tribunals here or elsewhere.

"It is significant that the temporary war-

time increase and the later alarming decrease in its net earnings occurred during a period when the Canadian Pacific was enjoying the highest volume of traffic in its history. It might be contended with reason that rates should not be increased during a period of depression when the traffic volume is low but it could scarcely be contended that when the traffic volume is high rates should not be at a level which will provide sufficient net earnings to support the company's operations.

"Notwithstanding the reduction in its fixed charges during the war and post-war years from $25,506,522 to $18,488,113, achieved only as the result of a high volume of traffic, and the suspension of dividends over a number of years the Canadian Pacific's net railway operating income in 1946 was but little more than its fixed charges, and will provide no return to the owners and only a relatively small surplus for additions and betterments. Without an increase in freight rates it is estimated that net railway earnings for 1947 will fall short of even meeting fixed charges by approximately $3,000,000.

"It has been universally recognized that the railways played an effective part in winning the war. They have also, with government sanction, made a valuable contribution to the restoration of industrial peace as a result of which the nation may look forward to a period of prosperity. It would be an anomalous condition indeed if the railways were now left to face either bankruptcy or such a drastic curtailment of expenditures for labor, materials and equipment as would lead to inadequate and inefficient rail transportation. The prosperity of Canada depends in no small measure upon efficient rail transportation.

"In an economy in which all wage and price levels have risen as they have in Canada within the past seven years, it is impossible for the railways to continue to function efficiently on the basis of freight rates established over 20 years ago."

Track Inspection Bill

Representative Ellsworth, Republican of Oregon, has introduced H. R. 2098 which would give the Interstate Commerce Commission authority over railroad tracks and roadbeds similar to that which it exercises over signaling facilities under the so-called Signal Inspection Act of 1937, now incorporated into the Interstate Commerce Act's section 25. The bill, designed "to promote the safety of employees and travelers," would apply to railroad "trackage," which is defined as including "tracks, bridges, roadbed, and permanent structures for the support of way, trackage, and traffic."

It would require the railroads to file trackage standards with the commission, which would have authority to revise or modify such standards. Also, changes in standards would have to be approved by the commission. In addition, the commission would receive authority to inspect trackage and to order, after investigation, any road to make any repairs found necessary to put its trackage "in safe, proper, and suitable condition for use in the service to which it is put." Penalties would be $100 for each violation and $100 for each day any such violation continues.

A statement issued by Representative Ellsworth when he introduced the bill said that "although Congress has passed much legislation regulating rail transportation, requiring safety devices and calling for inspections of locomotives and other equipment and devices, there is no law, and hence no rules or regulations issued by the Interstate Commerce Commission, with respect to the inspection and maintenance of railroad tracks."

Mr. Ellsworth thus thinks "it is possible" that "a few railroads may not have given as complete attention to the safety and general condition of their trackage and bridges as might be reasonably necessary." He added that "several recent tragic railroad accidents have been attributed to track defects."

"I am sure," he continued, "that the passage of this bill will work no hardship on the railroad companies. American railroads have made an outstanding record of safety and efficiency, and most railroads, I am sure, have adequate rules and standards regarding track inspection and maintenance. My bill is designed to bring the inspection and maintenance of railroad trackage up to a uniform high standard throughout the country."

Passenger, Commodity Traffic Volume Off 10% in 1946

The total volume of all passenger and commodity traffic carried in 1946 by United States railroad, air, intercity bus and truck, and domestic water carriers was about 10 per cent below 1945, but approximately 34 per cent above the 1941 volume, according to the Department of Commerce. The department said that passenger traffic decilned 20 per cent from 1945 to 1946, as compared to an 8 per cent drop in commodity traffic during the same period.

"The most significant changes in 1946 were in the railroad industry," the department said. "During the war years, rail ton-miles registered gains far greater than increases in freight carloadings due to the longer average haul and heavier loading of cars. The average haul declined 15 per cent in 1946 as compared with 1945, and the average carloadings were 5 per cent lighter in 1946 than in 1945. However, both the average rail haul and the average rail load in 1946 were still about 15 per cent higher than in 1939. There are many indications that some of the wartime increase in efficiency will be retained."

Meanwhile, the "sharpest relative decline" in commodity traffic from 1945 to 1946 was registered by the scheduled air lines, their total ton-miles falling from 88 million to 69 million. Mail volume was cut in half, principally because of the diminished demand for air mail to and from the armed forces while air passenger-milles of scheduled air lines increased about 70 per cent from 1945 to 1946, "bringing their volume to about eight times the 1939 level."

The department also noted that the shift in production during 1946 from military to civilian goods, the near-record agricultural output and the elimination of wartime equipment and fuel shortages resulted in a 1946 truck-loading volume almost equal to the 1943 peak. It said that except for petroleum and machinery, there were heavier truck loadings of all classes of commodities in 1946 than in 1945. At the same time, it observed that the resmption of long-haul traffic in both intercoastal trade and tanker movements from the Gulf coast to the East coast brought a substantial increase in total domestic water-borne ton-miles from 1945 to 1946 despite declines in volume carried on inland waterways.

Senator Hawkes Sees Warning of Socialism in P. R. R. Report

Senator Hawkes, Republican of New Jersey, thinks the people of the United States should take notice of the Pennsylvania's 1946 deficit and then "look across the water to England where, along with many other industries, the railroads have been nationalized." The senator made this observation in a statement which he inserted, along with the New York Times' review of the P. R. R. report, into the appendix of the February 19 Congressional Record.

He called attention to the fact that P. R. R. President Martin W. Clement had announced that "for the first time in its 100-year history, this, the largest railroad in America, operated at a loss." The report, Mr. Hawkes added, "could be a milestone on the road of approach to socialism here in our country, if the pressures government regulations have brought to bear upon the railroads are not relieved."

House Bill to Amend Salary Provisions of Locomotive Act

Chairman Wolverton of the House committee on interstate and foreign commerce has introduced H. R. 2123 to amend the salary provisions of the Locomotive Inspection Act. It is similar to S. 562 which was introduced recently in the Senate by Chairman White of that body's committee on interstate and foreign commerce, as noted in the *Railway Age* of February 15, page 379.

Troop Sleepers and Kitchen Cars for Sale

The War Assets Administration this week offered for sale 2,290 of the troop sleepers and kitchen cars which were acquired by the Reconstruction Finance Corporation and leased to the Pullman Company for the war-time transportation of the armed forces. The lot now offered at fixed prices includes 1,894 troop sleepers and 396 kitchen cars, while the W. A. A. announcement said that a "limited number" of similar cars which have been in accidents and are "more or less damaged" will be offered later, probably on a sealed-bid basis.

The fixed unit price for 1,177 of the sleepers in the present lot is $2,880, while the remaining 717 are offered at $3,780 each. The unit price of the 396 kitchen cars is $3,240. Thus the aggregate asking price is $7,383,060, as compared with the $28,000,000 figure given by the W. A. A. as the approximate cost to the R. F. C. Most of the cars are now stored at Illiopolis, Ill.

W. A. A. said that some of them are designed for unrestricted freight or pass-

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MODERN METHODS . . .

earn added recognition

for LIMA

The methods and machinery that have earned Lima its enviable reputation as a builder of low-maintenance—high-availability locomotives have paid off in additional recognition. This year the Supervisory Forces and Employees of Lima Locomotive Works, Incorporated were awarded the Group Safety Award (Heavy Industry Classification) of the Allen County Industrial Safety Campaign. This award, which is presented annually by The Industrial Commission of Ohio, also carries with it a neon sign, a replica of which was presented to Mr. L. A. Larsen, Sr. V.P. of Lima.

LIMA LOCOMOTIVE WORKS INCORPORATED, LIMA, OHIO

enger service and can be easily converted into standard 50-ton, 50½-ft. box cars with 8-ft. side doors. It added that all of the cars can be altered at "reasonable cost" to permit their use in head-end service or as camp cars.

The kitchen cars are outfitted with an air pressure system, one 400-gallon cold water tank, two 40-gallon hot water tanks to supply a sink and one 82-gallon cold water and one 30-gallon hot water tank to supply a shower. In addition, each car is equipped with a water heater which takes steam from the train line, a refrigerator, meat and work tables, lockers, coal bin and other installations. The W. A. A. said that "for most or all of the cars," minor items of loose equipment are reported missing, but no missing items will be replaced for the sale.

That the sale of this equipment would partially alleviate the present car shortage was stated recently by Colonel J. Monroe Johnson, director of the Office of Defense Transportation, when testifying before a subcommittee of the House committee on appropriations on a proposed O. D. T. appropriation.

Colonel Johnson said that it took him "a long time" to get the government to declare the cars surplus and placed in the hands of the W. A. A. He told the subcommittee that the W. A. A. was going to advertise the sale of the cars, adding that "they cannot get ads in until March 21." "And all this month," he continued, "those cars are standing out there and not being used."

House Labor Committee Hears Whitney and Keiser

Appearing on February 25 before the House committee on education and labor, A. F. Whitney, president of the Brotherhood of Railroad Trainmen, proposed four amendments to the Railway Labor Act which, he asserted, would "promote greater stability in labor-management relations on the nation's rail lines."

Mr. Whitney's first amendemnt would make the services of fact-finding boards available before a strike ballot is taken. He pointed out that the present law requires labor unions to take a strike vote before fact finding boards can be appointed, and fixes a waiting period of 30 days following the publication of the board's findings. Under the proposed amendment, he said, the process would be reversed, thereby allowing the union itself to request a board before taking a strike vote.

His second amendment would prevent, according to Mr. Whitney, "excessive delay" in the settlement of grievance cases before the National Railroad Adjustment Board by requiring the establishment of regional boards to assist the national board "whenever the backlog of cases cannot be disposed of in three months." He said that present delays are "so serious" that union members sometimes wait "six or seven months" before a decision is reached on their respective cases.

Mr. Whitney's third amendment would authorize the "dues checkoff" when requested by union members. "This is done," he said, "for practically every type of employee obligation from income taxes to Red Cross donations and there should be no objection to it." His fourth amendment would remove the act's provision which prohibits the closed shop.

Walter C. Keiser, vice-president of the Brotherhood of Locomotive Firemen & Enginemen, also appeared before the committee for what he termed the "purpose of correcting some of the misstatements" made by George P. McNear, Jr., president of the Toledo, Peoria & Western, whose testimony was reported in *Railway Age* of February 22, page 426. Mr. Keiser, who was elected chairman of the committee assigned to handle the T. P. & W. dispute on September 12, 1945, said he spoke for the 13 labor organizations involved.

"We are of the opinion that the Railway Labor Act, as amended, provides ample means for disposition of disputes between the railroads and their employees," he said. "Mr. McNear has never complied with this act and he shows lack of knowledge as to its provisions when he states that 'as we understand it, emergency boards are not appointed unless the brotherhoods concur in their appointment.'" Mr. Keiser said that many emergency boards have been appointed by the President upon the request of the carriers and some have been named upon the recommendation of the National Mediation Board of its own volition.

According to Mr. Keiser, the act, as amended, has operated very effectively in "satisfactorily disposing of disputes" in the railroad industry. He said that if Mr. McNear will meet with his employees and "make a sincere effort to compose differences on his railroad," it will operate just as effectively on the T. P. & W. as on all other roads. He said that the striking employees of the T. P. & W. are not seeking any special consideration in the way of rates and pay and rules governing conditions of employment, but are "requesting standard rates of pay and rules governing employment comparable to those enjoyed on all Class I railroads."

I. C. C. Corrects Error; Takes Truck Route from Santa Fe

Reporting on reconsideration of a proceeding involving truck operations of the Santa Fe Trail Transportation Company on a route between Silver City, N. M., and Santa Rita, Division 5 of the Interstate Commerce Commission has now found that public convenience and necessity do not require the Atchison, Topeka & Santa Fe subsidiary's services for which a certificate was "inadvertently" issued last June. The division paved the way for its adverse report on reconsideration by issuing at the same time another report revoking the certificate which was "inadvertently" issued.

Both reports are in No. MC-30605 (Sub-No. 47). They reveal that Trail's application was first denied by the commission in March, 1945, and then given further hearing out of which came a favorable joint-board report and recommended order. The latter was not stayed by the commission, no exceptions having been filed within the time specified. Thereafter, however, the commission, having served interested parties with a May 14, 1946, notice that the recommended order had become effective May 3, 1946, extended until June 20, 1946, the time for filing petitions for reconsideration. On the deadline day such a petition was filed by the Tipton Freight Line.

"In accordance with established procedure," the report on the revocation said, "a certificate authorizing the operations recommended by the joint board was being prepared at the time the petition for reconsideration was filed. When the petition was received instructions were given that further action with respect to the certificate should be withheld. However, the clerk in charge of the release unit in our Section of Certificates failed to carry out such instructions and a certificate was issued to applicant on June 25, 1946. The release of that certificate, under the circumstances, clearly was inadvertent, the proceeding still being active and subject to further consideration responsive to the pending timely-filed petition. By order entered September 24, 1946, the proceeding was on such petition reopened for reconsideration on the present record."

In announcing its finding that the certificate should be revoked, the division asserted that "there can be no question of our power to revoke it under the circumstances here presented."

The report on reconsideration, which denies the application, found that Tipton was rendering "reasonably adequate" connecting-line service to and from the points involved, and that delays complained of by shipper witnesses "for the most part, are directly traceable to the arrival of applicant's vehicles at Silver City after the departure of Tipton's delivery vehicle." A rearrangement of Trail's schedules was suggested as a remedy.

What was perhaps another "inadvertence" saved the commission the trouble of issuing another order denying the application. "Despite the subsequent further hearing," it said, "the order of March 28, 1945, denying this application has not been vacated or set aside, and is still in effect. No further order denying the application is necessary."

Would Give I. C. C. Emergency Powers Over Per Diem

Representative Case, Republican of South Dakota, has introduced H. R. 2166 to bring per diem and other equipment-rental arrangements within the scope of the Interstate Commerce Commission's emergency car-service powers. The bill would accomplish its purpose by rewriting clause (a) of the Interstate Commerce Act's section 1(15).

W. A. A. Sells 25 Ambulance Rail Cars to Circus

Sale of 25 surplus ambulance railroad cars to Ringling Brothers-Barnum & Bailey Combined Shows, Inc., was announced this week by the War Assets Administration. The circus company plans to remodel the cars for use as family units for performers and laborers. Each car is equipped with a small kitchen. The cars cost the government approximately $5,300 each and were sold for $1,500 each.

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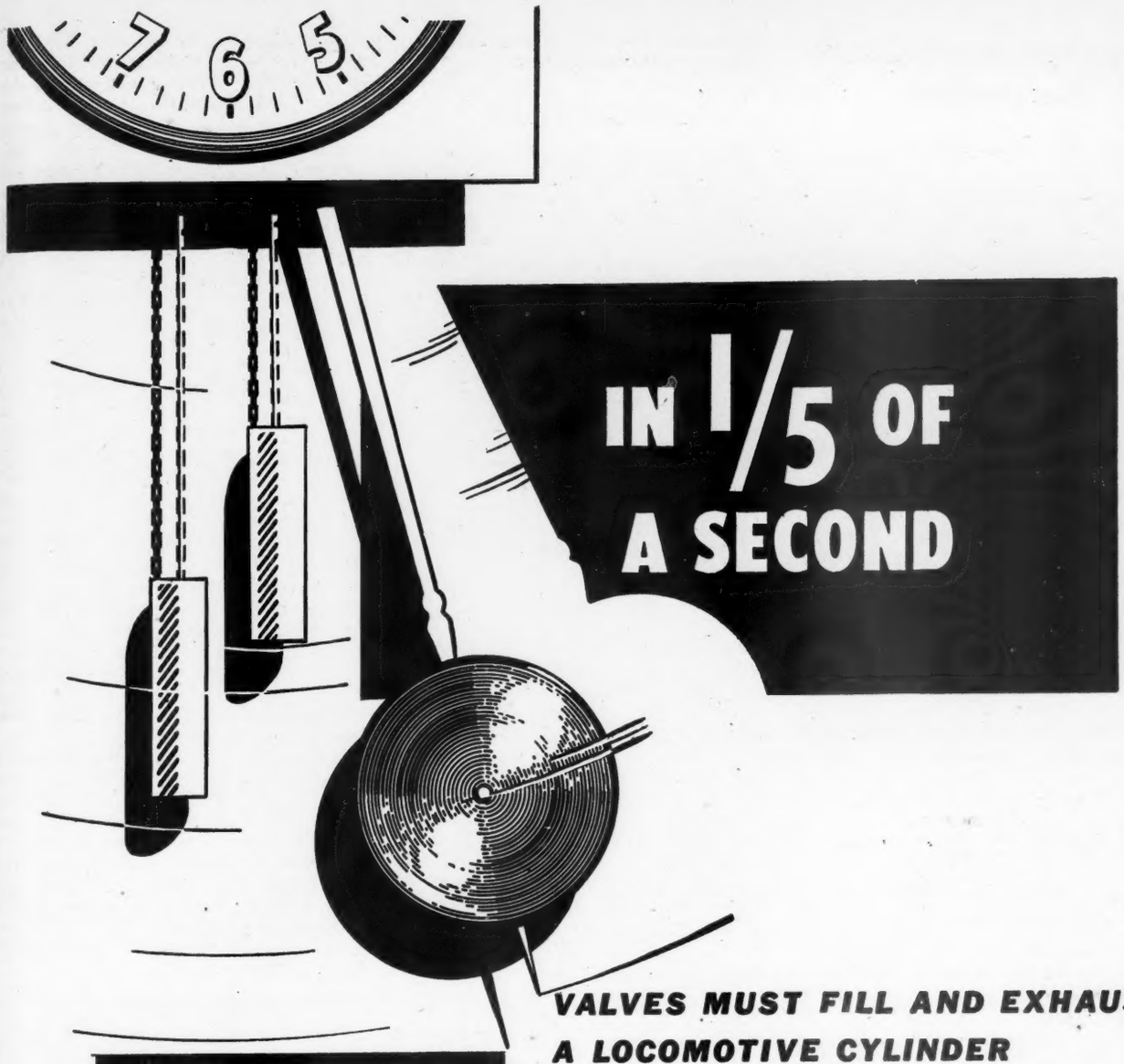


VALVES MUST FILL AND EXHAUST A LOCOMOTIVE CYLINDER

Valves on each end of each cylinder of an 80-inch-driver locomotive traveling at 75 mph go through their complete cycle in less than 1/5th of a second. During this fraction of a second, the cylinder must be filled, energy extracted from the steam at rates of up to 1500 hp, and the spent steam exhausted.

At this speed, flow area of passages, and particularly of port openings, is critical. The Franklin System of Steam Distribution provides fast-acting poppet valves and larger port openings. It provides late release, regardless of cutoff. It allows more steam at higher pressure to enter the cylinder, extracts more work from it, exhausts against lower back pressure, and traps less in compression. It increases the power of a locomotive by 19 to 30 per cent — or, when working at no greater power than the maximum for piston-valve locomotives, saves up to 30 and 40 per cent in fuel.

THE FRANKLIN SYSTEM OF Steam Distribution

FRANKLIN RAILWAY SUPPLY COMPANY, INC.

NEW YORK • CHICAGO • MONTREAL

STEAM DISTRIBUTION SYSTEM • BOOSTER • RADIAL BUFFER • COMPENSATOR AND SNUBBER • POWER REVERSE GEARS
AUTOMATIC FIRE DOORS • DRIVING BOX LUBRICATORS • STEAM GRATE SHAKERS • FLEXIBLE JOINTS • CAR CONNECTION

Equipment and Supplies

Domestic Equipment Orders Reported in February

Domestic orders for 44 Diesel-electric, 1 gas turbine and 4 electric locomotives, 78 passenger-train cars and 10,143 freight-train cars, including 378 ordered by private car lines and industrial companies, were reported in the *Railway Age* in February (excluding the issue of February 1). The locomotives will cost approximately $11,200,000. The passenger-train cars will cost about $7,800,000 and the freight-train cars will cost an estimated $39,600,000. Of the 9,765 freight-train cars ordered by railroads 1,038 will be built in railroad shops. The 378 cars ordered by private car lines and industrial companies include 178 to be built in company shops. The accompanying table lists the orders in detail.

During the first two months of 1947, the *Railway Age* has reported domestic orders for 69 Diesel-electric, 1 gas turbine and 4 electric locomotives (costing an estimated $26,200,000), 16,243 freight-train cars (at an estimated cost of $63,350,000), and 120 passenger-train cars (the estimated cost of which is $12,225,000).

LOCOMOTIVES

The ARGENTINE STATE RAILWAYS have ordered 90 Diesel-electric locomotives from the Whitcomb Locomotive Company, a subsidiary of the Baldwin Locomotive Works. The order, costing a total of $22,000,000, comprises 60 1,300-hp. Diesel-electric units and 30 1,950-hp. units.

PASSENGER CARS

The CHESAPEAKE & OHIO has ordered 10 baggage-mail cars and 8 post office cars from the Pullman-Standard Car Manufacturing Company at an approximate cost of $960,000. The cars will be streamlined and placed in operation with the 284 units of passenger equipment ordered from the same company last November. (See the *Railway Age* for November 23, 1946.)

SIGNALING

The CHICAGO & NORTH WESTERN has ordered equipment from the General Railway Signal Company for an all-relay electric interlocking to be installed at Madison, Wis. The control machine, to be located in MX Tower, will have a 12-in. by 17-in. panel equipped with 10 track indication lamps and 6 levers for the control of a switch and 2 signals at end of double track west of MX Tower; of 2 switches and 3 signals at end of double track and Lancaster Line Junction east of MX; and of 4 home signals at a single-track crossing with the C. M. St. P. & P. Model 5D dual-control electric switch machines, welded steel bungalows and Type B relays are included in this order.

LOCOMOTIVES

Date	Purchaser	No.	Type	Builder
Feb. 8	A. T. & S. F.	1	4-8-4 gas turbine	Baldwin
Feb. 8	Nor. South.	10	1,500-hp. D.-E. frt.	Baldwin
Feb. 8	Erie	9	6,000-hp. D.-E. frt.	American
		6	1,000-hp. D.-E. sw.	American
		5	660-hp. D.E.-sw.	American
		10	1,000-hp. D.-E. sw.	Electro-Motive
		3	1,000-hp. D.-E. sw.	Baldwin
		1	660-hp. D.-E. sw.	Baldwin
Feb. 15	Virginian	4	6,800-hp. electric	Gen. Electric

FREIGHT CARS

Date	Purchaser	No.	Type	Builder
Feb. 8	B. & O.	2,000	50-ton Hopper	Bethlehem
		1,000	50-ton Hopper	Amer. Car & Fdy.
		500	50-ton Hopper	Pressed Steel
		500	50-ton Hopper	Ralston
Feb. 15	C. & E. I.	300	50-ton Hopper	Pullman-Standard
Feb. 15	Delray Conn.	100	70-ton Hopper	Greenville
Feb. 15	G. T. W.	500	50-ton Box	Pullman-Standard
Feb. 15	K. C. S.	800	50-ton Box	Pullman-Standard
Feb. 15	M. & St. L.	250	70-ton Hopper	Pullman-Standard
Feb. 15	Mo.-Ill.	100	70-ton Ballast	Amer. Car & Fdy.
		35	70-ton Cov. Hopper	Amer. Car & Fdy.
		15	70-ton Cov. Hopper	Amer. Car & Fdy.
Feb. 15	M. P.	18	70-ton Container	R.R. Shops
Feb. 15	N. & W.	20	Caboose	R.R. Shops
Feb. 15	S. A. L.	500	50-ton Box	Pullman-Standard
		175	70-ton Phosphate	Pullman-Standard
Feb. 15	W. & L. E.	1,000	70-ton Hopper	Greenville
		250	50-ton Box	Amer. Car & Fdy.
Feb. 22	Adiron. Bottled Gas	3	50-ton Tank	Amer. Car & Fdy.
Feb. 22	Cons. Chem. Ind.	10	100-ton Tank	Amer. Car & Fdy.
Feb. 22	D. T. & I.	200	50-ton Box	Amer. Car & Fdy.
Feb. 22	Gen. American	10	70-ton Tank	Co. Shops
		40	50-ton Tank	Co. Shops
		64	40-ton Tank	Co. Shops
		4	70-ton Cov. Hopper	Co. Shops
		10	40-ton Cov. Hopper	Co. Shops
Feb. 22	G. C. L.	50	50-ton Auto	R.R. Shops
Feb. 22	Home Gas Corp.	3	50-ton Tank	Amer. Car & Fdy.
Feb. 22	Int.-G. N.	50	50-ton Cov. Hopper	R.R. Shops
		50	50-ton Auto	R.R. Shops
		50	40-ton Stock	R.R. Shops
Feb. 22	M. P.	600	50-ton Auto	R.R. Shops
		50	70-ton Cov. Hopper	R.R. Shops
		50	50-ton Gondola	R.R. Shops
Feb. 22	Monsanto Chem.	14	70-ton Tank	General American
Feb. 22	N. & W.	100	70-ton Cov. Hopper	R.R. Shops
Feb. 22	Pacific Gas Co.	50	40-ton Tank	Amer. Car & Fdy.
Feb. 22	St. L. Refrig. Car	50	40-ton Refrig.	Co. Shops
Feb. 22	Shippers Car Line	120	50-ton Tank	Amer. Car & Fdy.
Feb. 22	Spokane Int'l.	2	70-ton Cov. Hopper	General American
Feb. 22	Wabash	500	50-ton Box	Amer. Car & Fdy.

PASSENGER CARS

Date	Purchaser	No.	Type	Builder
Feb. 8	N. & W.	20	Sleeping	Budd
Feb. 8	M. P.	4	Coach	Budd
		2	Din.-Lnge.	Budd
		2	Sleeping	Budd
Feb. 22	A. C. L.	50	50-ton pass. exp. refrigerator cars	Amer. Car & Fdy.

Construction

BALTIMORE & OHIO.—This road has awarded the following contracts, the estimated costs of which are shown in parentheses: To Roberts & Schaefer Co., Chicago, for the construction of facilities at Benwood, W. Va., for handling coal, sand and cinders ($130,000); to the George F. Hazelwood Company, Cumberland, Md., for remodeling a hotel at Grafton, W. Va. ($69,000); to the L. A. Wells Construction Company, Cleveland, Ohio, for reconstructing the dock leased to the Kelley Island Lime & Transport Co. at Saidusky, Ohio ($54,500); and to the Ellington Miller Company, Chicago, for altering freight house No. 2 at Chicago ($20,000).

CHICAGO & ILLINOIS MIDLAND.—This road has awarded a contract for the replacement of a frame timber bridge west of Pawnee, Ill., with a reinforced concrete ballasted deck structure, at a cost of approximately $40,000. The Gould Construction Company, at Davenport, Iowa, is the contractor.

CHICAGO & NORTH WESTERN.—This road has recently authorized a number of construction projects, some of which are to be completed by private contractors in cooperation with the road, and others to be completed by company forces. The projects in the first category, with contractors, and estimated costs shown in parenthesis, are as follows: Installation of a new grain drier at Council Bluffs, Iowa, John S. Metcalf Company, ($47,900) construction of a covered freight platform at Chicago avenue and Halsted street, Chicago, G. A. Johnson & Son ($39,265); installation of car dumper machinery at grain elevator in Council Bluffs, Link Belt Company ($186,500); and the construction of a 200,000-gal. steel water storage tank at Clinton, Iowa, Chicago Bridge & Iron Co. ($23,245).

Construction to be undertaken by C. & N. W. company forces is as follows: The installation of automatic electric highway crossing gates with manual supervisory controls, at Cary, Ill. ($21,475); improvements of grade crossings by installation of concrete slab crossings and concrete paving between tracks and sidewalks, at Des Plaines, Ill. ($36,400) installation of electric interlocking (remote controlled from tower at Mayfair, Ill.), replacing mechanical interlocking plant, at South Mayfair, Ill. ($35,110); installation of an automatic plant at the road's crossing with

News Department continued on next left-hand page

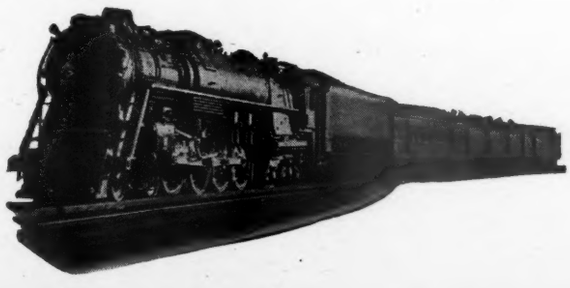
Availability Up

Maintenance Down

The installation of Security Circulators on any type of coal-burning steam locomotive means an increase in availability and a decrease in boiler maintenance.

Compared with other locomotives, those that are circulator-equipped are available for continuous operation for longer periods because they have cleaner flues, longer arch life and improved combustion.

Honeycombing, flue plugging and cinder cutting are definitely reduced, and the installation of Security Circulators permits the use of a 100% arch and prolongs the life of arch brick. Consequently boiler maintenance is substantially reduced.



AMERICAN ARCH COMPANY, INC.

NEW YORK • CHICAGO

SECURITY CIRCULATOR DIVISION

the Chicago, Milwaukee, St. Paul & Pacific and the Chicago Great Western, at Mason City, Iowa, replacing a mechanical interlocking plant ($25,935); installation of electric interlocking at the crossing with the Minneapolis, St. Paul & Sault Ste. Marie, at Marshfield, Wis. ($23,755); installation of Whiting drop table in the enginehouse at Chadron, Neb. ($24,000); and the installation of a Whiting drop pit in the enginehouse at Winona, Minn., plus alterations and track changes ($47,210). Bridge replacements are now in progress or will be started shortly at the following points: Normandy, Ill., at a cost of approximately $57,700; Ames, Iowa, at an estimated cost of $92,000; Sheboygan, Wis., to cost about $27,640; and Denison, Iowa, three bridges over the Boyer river, at an estimated cost of $755,170.

CHICAGO, ST. PAUL, MINNEAPOLIS & OMAHA.—This road will install an interlocking, including five crossovers, at Buckley station in St. Paul, Minn., to be controlled remotely from the yard office at East St. Paul. The work will be completed by company forces at an estimated cost of $64,200.

READING.—This road has awarded a contract to Irwin C. Young, Philadelphia, Pa., for the construction of a 100-ft. concrete turntable pit at Bridgeport, Pa. The approximate cost is $25,000.

Supply Trade

L. M. Morley has been elected a vice-president of the **Minneapolis-Honeywell Regulator Company,** with headquarters at Philadelphia, Pa.

E. J. Cosford has been appointed general sales manager of the **Canadian Car & Foundry Co.**, with headquarters in Montreal, Que.

The **Dayton Manufacturing Company,** Dayton, Ohio, has announced the appointment of **J. L. Franciscus**, 4041 Park avenue, St. Louis, Mo., as a representative in the St. Louis and south-central area.

Herbert B. Cumming, Inc., northeastern New Jersey sales representative for the **Automatic Transportation Company,** Chicago, has announced the opening of a new sales display and service headquarters in Rochelle Park, N. J.

T. E. Satra has been appointed manager of western sales for the **Lima Locomotive Works**, with headquarters in Seattle, Wash., to succeed **H. C. Hammack,** who has retired after 50 years' service. Mr. Satra was formerly assistant manager of the western sales office.

The purchase of a factory building at Hornell, N. Y., to house the cast iron department of **SKF Industries, Inc.,** has been announced by William L. Batt, SKF president. Mr. Batt said the transfer of the department to the new location will free space at the main plants for expanded production of spherical roller bearings.

Bob Williams has been appointed vice-president of the **George B. Cross Company,** 624 South Michigan avenue, Chicago, distributors of transportation seating manufactured by S. Karpen & Bros. Mr. Williams became associated with the Karpen organization ten years ago, and has served in various capacities in the manufacturing and service and product development of Karpen transportation seating. During the past few years he has specialized in management and sales for Karpen.

Bob Williams

The **Westinghouse Electric Corporation** has taken over operation of the Sunnyvale, Calif., plant of the **Joshua Hendy Iron Works** under a lease arrangement, it has been announced. The plant will be operated under the direction of **Harry F. Boe,** vice-president in charge of the Westinghouse manufacturing and repair division.

William S. Boyce, the announcement of whose appointment as manager of railroad sales of the **Colorado Fuel & Iron Corp.,** with headquarters at Denver, Colo., appeared in the *Railway Age* of November 23, 1946, was born at Del Rio, Tex., and received his higher technical training at Texas A. & M. College. After serving with the National of Mexico in maintenance and construction work, he entered the maintenance department of the Chicago Great Western. Later, he served as a roadmaster of the Atchison, Topeka & Santa Fe. Subsequently, he served with the Rail Joint Company and the Railroad Supply Company. When the latter company was dissolved, Mr. Boyce organized his own business—the Boyce Tie Plate Company, Chicago. His close association with the Colorado Fuel & Iron Corp. later resulted in the dissolution of his own business, and the beginning of his sales activities for Colorado.

William S. Boyce

William E. Bridgman has been appointed sales representative for the Boston, Mass., district of the Cyclone Fence division of the **American Steel & Wire Co.,** a subsidiary of the United States Steel Corporation. The company also has announced the formation of a new sales district covering Maine, New Hampshire, Vermont, Rhode Island and eastern Massachusetts.

John F. Corcoran has been appointed district sales manager of the **American Locomotive Company** for the southeastern district, with headquarters in Atlanta, Ga., and **George L. Green** has been appointed district sales manager in charge of western regional sales, with headquarters in Chicago. Mr. Corcoran was formerly located at the company's Washington, D. C., office and Mr. Green was formerly vice-president of the H. K. Porter Company.

OBITUARY

A. K. Hohmyer, western manager of the Westinghouse Air Brake Company at Chicago, whose death was reported in the *Railway Age* of February 22, began his association with that company in 1901 as an office boy at the general offices in Wilmerding, Pa. In 1907 he was transferred to the Chicago district office where he served several years as chief clerk. He was subsequently promoted to the sales department, and served as a representative of the company in promoting railway sales. In 1922 he became associated with the New York Car Wheel Company, which was later merged into the Southern Wheel Company. In 1928 Mr. Hohmyer returned to the Westinghouse Air Brake Company as assistant western manager at Chicago. He was advanced on March 1, 1939, to district manager, Western district, in which capacity he served until his death.

A. K. Hohmyer

News Department continued on next left-hand page

Steam Volume Increases

With Degree of Superheat

The superheater design is a dominant factor in the efficiency of the locomotive — where high superheat is essential.

Our experience as the world's largest and most progressive superheater designer and manufacturer is at your disposal in determining the best superheater for the requirements. CONSULT OUR ENGINEERS.

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Superheaters • Superheater Pyrometers • Exhaust Steam Injectors • Steam Dryers • Feedwater Heaters • American Throttles

Financial

BALTIMORE & OHIO.—*Preliminary Annual Report.*—Operating revenues of this road in 1946, according to a preliminary statement, amounted to $304,984,716, compared with $361,373,218 in the preceding year. Operating expenses totaled $275,212,289, compared with $296,661,546. Net income was $4,560,929, compared with $15,901,401.

Roy B. White, president, announced that the directors have appropriated $8,919,303.41 out of available income for the year 1946, with which to pay, on March 10, the contingent interest on the B. & O.'s bonds. This distribution, Mr. White said, will pay all interest accrued to December 31, 1946, which was made contingent pursuant to the adjustment plan. Rate of payments will be as follows: Refunding and general mortgage 5 per cent bonds, series A, at $39.17 per $1,000 bond refunding and general mortgage 6 per cent bonds, series C, at $47 per $1,000 bond; refunding and general mortgage 5 per cent bonds, series D and F, at $36.67 per $1,000 bond; first mortgage 5 per cent bonds, at $10 per $1,000 bond; Southwestern division 5 per cent bonds, at $15 per $1,000 bond; and thirty-year convertible 4½ per cent bonds, at $45 per $1,000 bond.

CHESAPEAKE & OHIO.—*Equipment Trust Certificates.*—This road has applied to the Interstate Commerce Commission for authority to assume liability for $1,800,000 of equipment trust certificates, the proceeds of which would be applied toward the purchase at $227,153 each of 10 type 2-8-4 freight locomotives, each equipped with 21,000-gal. tenders, from the American Locomotive Company.

CHICAGO, ROCK ISLAND & PACIFIC.—*Reorganization Plan Confirmed.*—The U. S. circuit court of appeals at Chicago last week ordered the federal district court there to confirm the Interstate Commerce Commission's reorganization plan for this road. The decision reversed two rulings of Federal Judge Michael L. Igoe—his refusal to confirm the I. C. C. plan and his subsequent approval of a debt adjustment plan proposed by Aaron Colnon, co-trustee of the road. (See *Railway Age* of February 8, page 339). In the matter of wartime earnings of the road, a point in argument against the I. C. C. plan, the circuit court's decision read, in part: "In considering these figures we must not lose sight of their background. They are war earnings and the Supreme Court has approved the commission's attitude in appraising them lightly. Moreover, the debtor's income during these puffed years has dropped steadily since 1943, and the figures in question, while showing annual income after taxes, do not include the payment of interest which, as of May 1, 1946, was in excess of $27,000,000." A new capitalization of $356,117,327 is provided under the commission's plan, a summary of which appeared in *Railway Age* of January 15, 1944, page 212.

MISSOURI-KANSAS-TEXAS. — *Equipment Trust Certificates.*—Division 4 of the Interstate Commerce Commission has authorized this road to assume liability for $3,900,000 of equipment trust certificates, the proceeds of which will be applied toward the purchase of equipment estimated to cost $4,899,388, as outlined in *Railway Age* of February 1, page 293. The certificates will mature in 15 equal annual installments starting March 1, 1948. The report also approves a selling price of 99.129 for the certificates with a 2 per cent interest rate, the bid of Halsey, Stuart & Co. and associates, on which basis the average annual cost will be approximately 2.13 per cent.

PENNSYLVANIA.—*Annual Report.*—Operating revenues of this road in 1946 amounted to $822,007,585, compared with $936,453,411 in the preceding year. Operating expenses totaled $875,467,343, compared with $930,435,795. The deficit was $8,530,317, compared with net income of $49,008,238. Current assets at the end of the year were $245,843,256, compared with $303,907,345. Current liabilities were $137,347,110, compared with $147,667,425.

M. W. Clement, president, said in the annual report that from the standpoint of the level of business 1946 was one of the best years in the road's history and its highest peacetime year. From the standpoint of financial results, he said, the year was the worst in the road's history, being the first time in its one hundred years that it operated at a deficit.

"The unsatisfactory results," Mr. Clement continued, "were due very largely to the impact of the forces of government regulation. It had been obvious for some time that wage increases were necessary and when—well into the year—they were finally determined upon, they were made retroactive . . . to the first of the year. It had also been perfectly obvious that rate increases were necessary, not only to meet the increased costs brought about during the war but to meet impending wage increases. However, the rate increases, with the exception of a very slight increase at the middle of the year, were delayed until the end of the year, so that for a full year the Pennsylvania was compelled to operate with all the war and peacetime increases—both in cost of labor and materials—without any substantial increase in rates."

PENNSYLVANIA.—*Pennroad Suit.*—Final settlement of the litigations involving the Pennsylvania and the Pennroad Corporation was completed on February 19 when Pennroad received $15,000,000 from the railroad.

The cash payment ending the litigation, which was instituted by two stockholders of Pennroad against the Pennsylvania and nine of its officers and directors to recover approximately $95,000,000 of alleged losses, was agreed upon by the two companies on March 1, 1945. (See the *Railway Age* for June 1, 1946, page 1122.)

WABASH.—*Income Bond Interest.*—The directors of this road have announced that the interest on the general mortgage series A 4 per cent income bonds and the general mortgage 4¼ per cent series B income bonds was earned in 1946 and payment will be made in full on April 1.

SOUTHERN PACIFIC. — *New Director.* — Everette Lee DeGolyer, geologist of Dallas, Tex., and associate editor of the Journal of Economic Geology, has been elected a director of this road to succeed the late Walter Douglas.

Average Prices Stocks and Bonds

	Feb. 25	Last Week	Last Year
Average price of 20 representative railway stocks..	51.11	51.47	59.89
Average price of 20 representative railway bonds..	91.9	92.46	102.15

Dividends Declared

Alabama & Vicksburg. — $3.00, semi-annually, payable April 1 to holders of record March 8.

Bangor & Aroostook. — 5% preferred, $1.25, quarterly, payable April 1 to holders of record March 4.

Boston & Albany.—$2.00, payable March 31 to holders of record February 28.

Erie & Pittsburgh.—7% guaranteed, 80¢, quarterly, payable March 10 to holders of record February 28.

Minneapolis, St. Paul & Sault Ste Marie.—$1.00, payable April 1 to holders of record March 15.

Philadelphia, Germantown & Norristown.—$1.50, quarterly, payable March 4 to holders of record February 20.

Southern Pacific. — $1.00, quarterly, payable March 24 to holders of record March 3.

Union Pacific.—common, $1.50, quarterly; 5% preferred, $2.00 semi-annually, both payable April 1 to holders of record March 3.

Vicksburg, Shreveport & Pacific. — common, $2.50, semi-annually; 5% preferred, $2.50, semi-annually, both payable April 1 to holders of record March 8.

Wabash. — common, $1.00, 4½% preferred, $4.50, annually, both payable April 18 to holders of record March 31.

Railway Officers

FINANCIAL, LEGAL AND ACCOUNTING

Vernon L. Nelson has been appointed assistant controller of the New York Central, at Detroit, Mich., with jurisdiction over disbursement accounting.

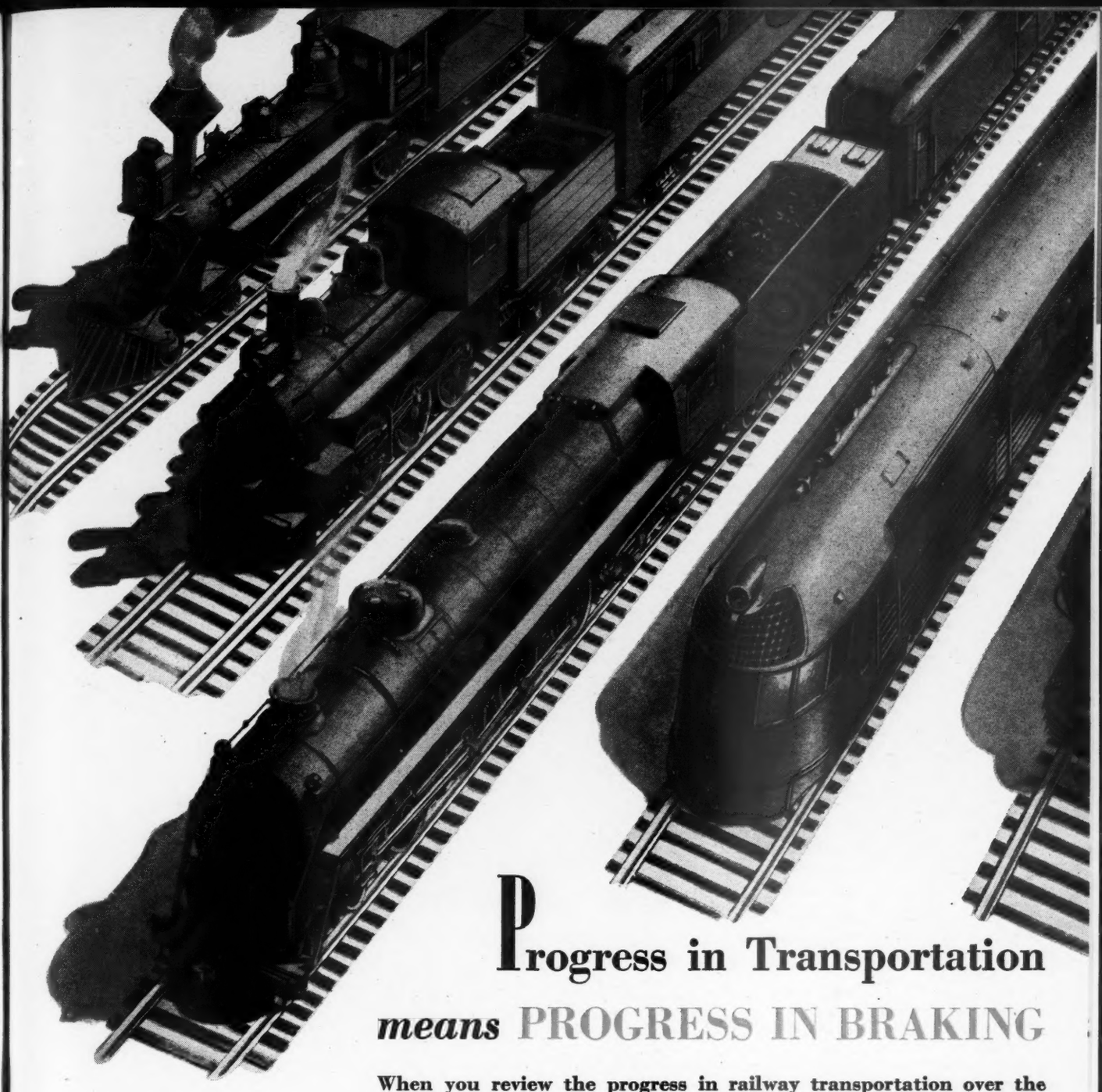
L. H. Hilton, departmental accountant of the Boston & Albany, has been appointed auditor of expenditures, with headquarters as before at Boston, Mass. **P. F. Donovan** has been appointed assistant auditor of expenditures, at Boston.

W. M. Richardson, departmental accountant of the New York Central line east, has been appointed auditor of expenditures, with headquarters as before at Utica, N. Y. **I. C. Thompson** and **H. I. Gaige** have been appointed assistant auditors of expenditures at Utica. **Albert H. Kluck** has been appointed assistant to comptroller at Utica. **K. W. Porter,** departmental accountant, line west, has been appointed auditor of expenditures, with headquarters as before at Detroit, Mich. **R. W. Kinker** and **H. A. Riedel,** have been appointed assistant auditors of expenditures, at Detroit.

OPERATING

Harold E. Roll, whose promotion to general superintendent of the Missouri Pacific at Kansas City, Mo., was reported

News Department continued on next left-hand page



Progress in Transportation

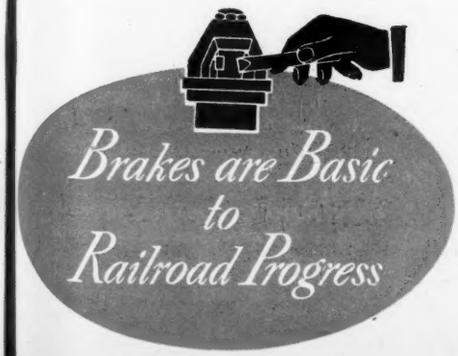
means PROGRESS IN BRAKING

When you review the progress in railway transportation over the years, one important fact stands out: Brakes are basic to railroad progress. That's why every advance in power, speed and capacity is accompanied and accelerated by a commensurate advance in the brake system.

Expanding passenger travel creates expanded emphasis on adequate braking. With the current trend toward higher speeds in passenger service, trains need a brake to match their increased "go" power. It's ready and waiting, in the Westinghouse "HSC" electro-pneumatic brake.

For the utmost in performance for passenger safety and comfort, we recommend this proven combination:

"HSC" Electro-Pneumatic Brake **. . . for brake flexibility to match modern train speeds, and unequaled smooth action.** ***Speed Governor Control*** **. . . for regulating brake forces to wheel speeds.** ***"AP" Decelostat*** **. . . for wheel slip detection to keep the wheels rolling.**



Westinghouse Air Brake Co.

WILMERDING, PA.

in the *Railway Age* of February 8, was born on June 23, 1894, at Mattoon, Ill. He entered railway service in 1909 as a caller on the M. P. at North Little Rock, Ark., serving in this capacity and as yard clerk until 1911. He subsequently became brakeman, and later was employed for short periods by the Colorado & Southern and

Harold E. Roll

the Union Pacific. Returning to the M. P., he held positions successively as conductor and yardmaster prior to his appointment in 1925 as trainmaster at McGehee, Ark. The following year he became assistant superintendent at Eldorado, Ark., serving later as superintendent at McGehee, Monroe, La., and Little Rock. In 1936 he became director of terminals and freight train classification, at St. Louis, Mo. Mr. Roll was promoted in 1941 to chief personnel officer of the road, with his jurisdiction being extended in 1942 to include the Texas lines. He was serving in this capacity at the time of his new appointment.

TRAFFIC

H. M. Foth has been appointed district freight agent of the Union Pacific, with headquarers at New York.

John C. Kimes, assistant freight traffic manager of the Baltimore & Ohio, with headquarters at Chicago, has retired after 56 years of railroad service.

R. J. Beatty, assistant freight traffic manager of the Chesapeake & Ohio, has been appointed coal traffic manager—coal, coke and iron ore rates, with headquarters as before at Richmond, Va.

M. J. Flynn, export and import agent of the Canadian Pacific at Chicago, has been appointed foreign freight agent, with headquarters at Detroit, Mich., succeeding **G. F. Nichols,** who has resigned.

The National of Mexico has divided its traffic organization into a freight traffic department and a passenger traffic department. Heading the former is **Benjamin Mendez** as freight traffic manager, with headquarters at Mexico, D. F., Mex. The appointment of **Francisco C. Lona** as passenger traffic manager was reported in the *Railway Age* of February 15. **Octavio Gutierrez de Velasco** has been appointed assistant to the passenger traffic manager in charge of international traffic.

Theodore L. Vogel, general agent of the Union Pacific at St. Louis, Mo., has been appointed foreign freight agent at Chicago, a newly created position. **Theodore W. Gursky,** district freight agent at New York, has been appointed general agent at St. Louis. **H. M. Foth,** freight traffic agent, with headquarters at Chicago, has been appointed district freight agent at New York. **Harry D. Athon,** livestock agent at Portland, Ore., has been promoted to general agent in charge of freight and passenger traffic at Bend, Ore.

Frank T. Sturtevant, whose retirement as freight traffic manager of the Baltimore & Ohio at Cincinnati, Ohio, was reported in the *Railway Age* of February 8, was born on December 12, 1888, at Washington Court House, Ohio. Mr. Sturtevant was educated in the public schools of New Holland, Ohio, and entered

Frank T. Sturtevant

the service of the Baltimore & Ohio as clerk at Greenfield, Ohio, on August 15, 1910, becoming chief clerk there on October 1, 1911. He next became rate clerk in the division freight office at Chillicothe, Ohio, and on October 15, 1917, he became clerk at Camp Sherman, Ohio, being appointed general agent there on July 1, 1918. On September 16, 1919, he was advanced to city freight agent at Cincinnati, being promoted to commerce freight agent there on March 1, 1920, and district freight agent on July 1, 1921. The following September he was advanced to division freight agent at Chillicothe, being transferred to Akron, Ohio, on July 1, 1924, and to Youngstown, Ohio, on June 1, 1928. On December 1, 1929, he was appointed assistant general freight agent at Cleveland and on April 1, 1931, he was advanced to general freight agent at Baltimore, Md., in charge of perishable freight traffic. On October 1, 1945, he was appointed freight traffic manager at Cincinnati, the position he held until his retirement.

Ezra C. Patton, whose promotion to general freight agent of the Louisville & Nashville, with headquarters at Birmingham, Ala., was reported in the *Railway Age* of February 8, was born on August 17, 1896, at Greenvale, Tenn. He entered railway service in 1916 as a rate clerk in the local freight office of L. & N. at Franklin, Ky., subsequently holding various clerical positions there and at Nashville, Tenn. In 1926 he was appointed traveling freight

Ezra C. Patton

agent at Detroit, Mich., and in 1937 he became general agent there. Mr. Patton was promoted to division freight agent at Lexington, Ky., in 1942, and was transferred to Birmingham the following year. He was serving as division freight agent at the latter point at the time of his new appointment.

W. A. Cormany, traveling freight agent of the Norfolk & Western, with headquarters at Baltimore, Md., has been promoted to foreign freight agent at New York. **C. N. Butler,** commercial agent at Chicago, has been advanced to foreign freight agent there, replacing **J. J. Evich,** who has been promoted to assistant general foreign agent at Norfolk, Va. **L. H. Rives,** traveling freight agent at Norfolk, has been promoted to assistant foreign freight agent there, succeeding **J. A. Conner, Jr.,** who has been advanced to foreign freight agent at Norfolk, succeeding **L. H. Butler,** deceased.

H. A. Speck, traveling freight and passenger agent of the Missouri-Kansas-Texas, has been appointed general agent at Philadelphia, Pa., succeeding **T. W. Scott,** who has at his own request, been relieved of the supervision of the Philadelphia agency, after more than 30 years of service, and has been appointed special representative at Philadelphia.

ENGINEERING & SIGNALING

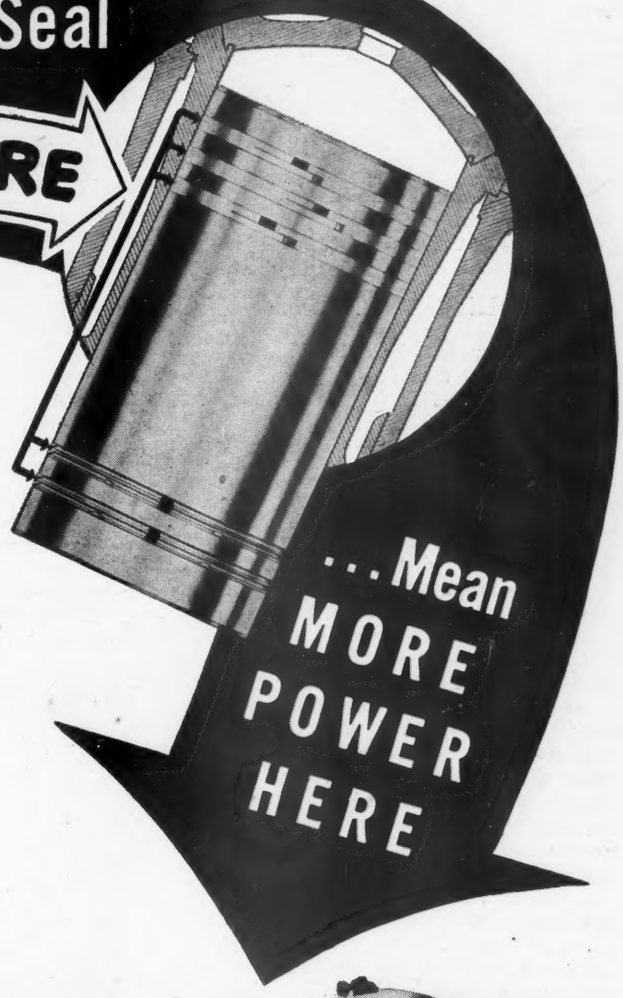
The office of the district engineer of the Northern Pacific, at Livingston, Mont., has been moved to Billings.

J. R. Traphoner, assistant to chief engineer of the Seaboard Air Line, at Norfolk, Va., has been promoted to division engineer, with headquarters at Jacksonville, Fla.

A. H. Whisler, assistant engineer, Eastern region of the Pennsylvania, with

News Department continued on next left-hand page

Hunt-Spiller Double Seal Piston Rings HERE



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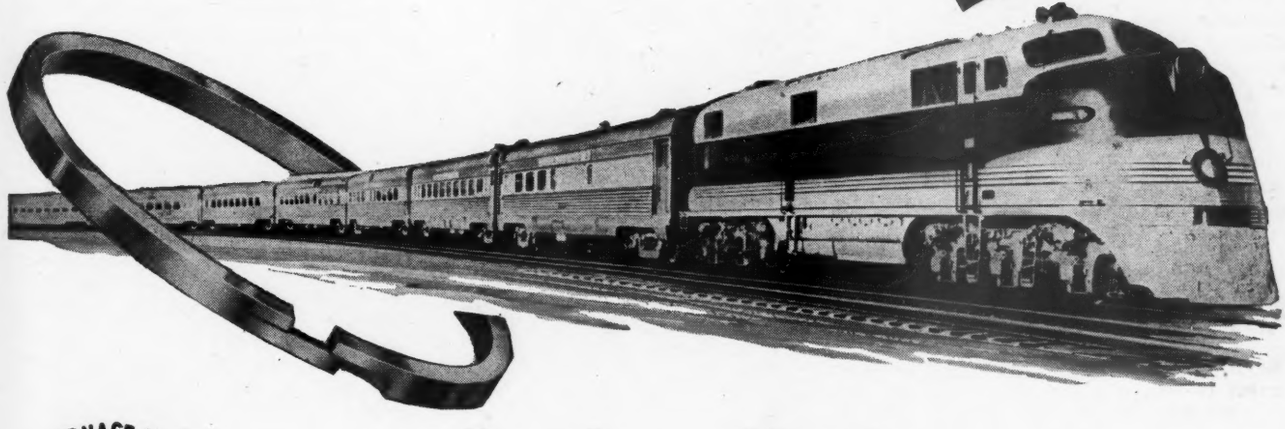

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Valve Packing Rings	Light Weight Valves	Sectional Packing)
Valve Bull Rings	Cylinder Liners and Pistons	Cylinder Snap Rings
	for Diesel Service	Valve Rings, All Shapes

headquarters at Philadelphia, Pa., in charge of organizing rail-laying trains on the Eastern region under the supervision of the chief engineer maintenance of way of that region, has been appointed assistant engineer in the office of the chief engineer, system, with the same headquarters, succeeding **J. G. Hartley,** who retired on January 1.

Irving Anderson, division engineer of the Atchison, Topeka & Santa Fe, with headquarters at Chanute, Kan., has retired.

MECHANICAL

W. S. Beauregard has been appointed chief chemist of the West Albany, N. Y., laboratory of the New York Central system, succeeding **E. M. Paradis,** whose death on January 31 was reported in the *Railway Age* of February 15.

H. E. Carter, assistant master mechanic of the Southern Pacific at Eugene, Ore., has been promoted to master mechanic, with headquarters at Tucson, Ariz. **H. T. Ankerson,** general foreman, locomotive department, at Tucson, succeeds Mr. Carter as assistant master mechanic at Eugene. **Benjamin F. Madden,** master mechanic at Dunsmuir, Cal., has retired.

John G. Hayes, superintendent of the passenger car department of the St. Louis-San Francisco, with headquarters at Springfield, Mo., has retired after 47 years of railroad service. Mr. Hayes entered railroad sevice on February 1, 1899, with the Southern, at Memphis, Tenn., and later traveled out of Washington, D. C., as mechanical inspector for the superintendent of motive power and the superintendent of tests at Alexandria, Va. From March, 1903, to September, 1905, he served for short periods of time with several railroads, and on the latter date he entered the service of the Southern Pacific. In 1925 Mr. Hayes joined the Frisco, and served with that road as general car inspector and superintendent of the passenger car department until the time of his retirement.

Paul O. Christy has been appointed general superintendent of equipment of the Tennessee Central, with headquarters at Nashville, Tenn. He was born on August 1, 1898, at Water Valley, Miss., and entered railway service in 1912 as a call boy with the Illinois Central. Mr. Christy subsequently held various clerical positions, and later entered the road's shops to serve apprenticeship as machinist. He was appointed night roundhouse foreman in 1925 and general foreman in 1930. In 1937 he became assistant master mechanic, and the following year was appointed master mechanic at Paducah, Ky. He was promoted to superintendent of equipment of the I. C. in 1941, and also in that year became general superintendent of equipment. Mr. Christy remained in the latter position until June, 1945, when he took a leave of absence. Returning to the I. C. in September, 1946, he became mechanical inspector, which position he held prior to entering the employ of the Tennessee Central.

PURCHASES AND STORES

F. G. Bannister, general storekeeper of the Canadian Pacific, western lines, with headquarters at Winnipeg, Man., has been appointed manager of stores, a newly created position.

John Eaton, assistant general purchasing agent of the Canadian Pacific, has been appointed general purchasing agent, with headquarters as before at Montreal, Que., succeeding **B. W. Roberts,** whose promotion to vice-president of purchases and stores was reported in the *Railway Age* of February 22. Mr. Eaton has been with the Canadian Pacific for 42 years, having joined the purchasing department as a junior clerk at Montreal. He left the position of assistant to the general purchasing agent in September, 1939, to go to Ottawa, Ont., with the Defence Purchasing Board, which became in successive changes the War Supply Board and finally the Department of Munitions and Supply. He returned to the Canadian Pacific in August, 1944, as assistant general purchasing agent at Montreal, which position he held at the time of his recent promotion. Since returning to the road, he has served four

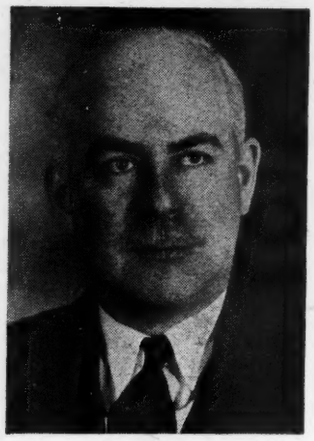
John Eaton

months on loan to the Department of Trade and Commerce as chairman of the Canadian Export Board, and is deputy chairman of the transportation equipment committee of the Department of Supply, a post he has held for a year. Mr. Eaton is a member of the executive committee of the Canadian Railway Club and a past president of the Purchasing Agents' Association of Montreal.

SPECIAL

A. S. Pitzer, trainmaster of the Illinois Central at Fulton, Ky., has been appointed rules examiner, with headquarters at Chicago, succeeding **W. E. Ausman,** who has retired after 50 years of service. **H. A. Rust** has been appointed trainmaster at Fulton, succeeding Mr. Pitzer.

Dr. K. E. Dowd, chief medical officer of the Canadian National and Trans-Canada Air Lines at Montreal, Que., whose election as chairman of the Medical and Surgical section of the Association of American Railroads was reported in the *Railway Age* of February 15, was born at Quyon, Pontiac, Que. Dr. Dowd was graduated from McGill University and, following an internship at Ottawa and a number of years in the field of industrial medicine, he was appointed assistant chief medical officer of the Canadian National in



Dr. K. E. Dowd

1928. Dr. Dowd was appointed chief medical officer of the system in 1943. He is also a member of various other medical societies in Canada and the United States. In 1944 Dr. Dowd became the second Canadian to be awarded fellowship in the American College of Surgeons. For his contributions to aviation medicine, he was again honored later in the same year by the Aero Medical Association of the United States with a fellowship in aviation medicine.

OBITUARY

Paul C. Withrow, assistant to the chief mechanical officer of the Denver & Rio Grande Western, with headquarters at Denver, Colo., died recently in that city.

E. J. Roth, general manager of the Fruit Growers Express Company, the Western Fruit Express Company, the Burlington Refrigerator Express Company and the National Car Company, with headquarters at Washington, D. C., died there on February 24, after an illness of several months. Mr. Roth was born at Rochester, Minn., on March 4, 1882, and attended the University of Nebraska. He entered railroad service in 1901 in the stores department of the Chicago, Burlington & Quincy, serving until 1914 as clerk, chief clerk and assistant general storekeeper. In 1914 he became supply agent for the Chicago, Indianapolis & Louisville, being appointed purchasing agent the following year. From 1918 to 1920 Mr. Roth served as manager of the stores section of the Purchases and Stores division of the United States Railroad Administration. He was appointed general manager of the Fruit Growers Express Company in 1920, becoming also general manager of the Western Fruit Express Company in 1923, the Burlington Refrigerator Express Company in 1926, and the National Car Company in 1928. Mr. Roth was a life member of the Purchases and Stores division of the Association of American Railroads.

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Formal bids should be submitted to Mr. Lamneck not later than April 15, 1947.

General News Department

(*Continued from page 475*)

Rail-Water Terminals, Pipeline Offered for Sale by W. A. A.

The War Assets Administration has invited bids for the purchase or lease, in whole or in part, of two rail-water terminals and the 200-mle pipeline in Florida which were constructed during the war. The terminals, formerly operated by the General American Transportation Corporation, are located near Panama City, Fla., and Jacksonville and cost the government approximately $5,000,000. The pipeline, used to transport petroleum from a point near Carrabelle, Fla., to a point near Jacksonville, cost $4,200,000.

Sealed proposals for the Panama City terminal will be received at the W. A. A. regional office, Jacksonville, Fla., until April 14. Those for the Jacksonville terminal and the pipeline must be received by April 11 at P. O. Box 4129, Jacksonville.

Farm Train Tour Begins March 3

An eight-car agricultural demonstration train—the "Farm and Home Special" operated by the New York Central in cooperation with Purdue University—will tour the farm communities of Indiana from March 3 to March 22, the road announced last week. The train will contain exhibits of many agricultural advances in the way of home conveniences, labor saving methods, better crop production and poultry management. The tour will begin at Indianapolis, Ind., including among numerous other stops the following: Terre Haute, Ind., on the 4th; Muncie, on the 14th; and Fort Wayne, on the 18th. The trip will terminate at Fowler, Ind., on the 22nd.

Meetings and Conventions

The following list gives names of secretaries, dates of next or regular meetings and places of meetings:

ALLIED RAILWAY SUPPLY ASSOCIATION.—Exhibit in conjunction with meetings of the Coordinated Mechanical Associations, September 15-18, 1947, Hotel Sherman, Chicago, Ill.

AMERICAN ASSOCIATION OF BAGGAGE TRAFFIC MANAGERS.—E. P. Soebbing, 1450 Railway Exchange Bldg., St. Louis 1, Mo. Annual meeting, October 8-10, 1947, Houston, Tex.

AMERICAN ASSOCIATION OF PASSENGER TRAFFIC OFFICERS.—B. D. Branch, C. R. R. of N. J., 143 Liberty St., New York 6, N. Y.

AMERICAN ASSOCIATION OF RAILROAD SUPERINTENDENTS.—Miss Elise LaChance, Room 901, 431 Dearborn St., Chicago 5, Ill. Annual Meeting, June 5-7, 1947, Hotel Stevens, Chicago, Ill.

AMERICAN ASSOCIATION OF RAILWAY ADVERTISING AGENTS.—E. A. Abbott, 1103 Cleveland St., Evanston, Ill.

AMERICAN RAILWAY BRIDGE AND BUILDING ASSOCIATION.—Miss Elise LaChance, Room 901, 431 S. Dearborn St., Chicago 5, Ill. Annual meeting, September 16-18, 1947, Hotel Stevens, Chicago.

AMERICAN RAILWAY CAR INSTITUTE.—W. C. Tabbert, 19 Rector St., New York 6, N. Y.

AMERICAN RAILWAY DEVELOPMENT ASSOCIATION.—W. J. Walsh, B. & O. R. R., Baltimore 1, Md. Annual meeting, March 10-12, 1947, Hotel Adolphus, Dallas, Tex.

AMERICAN RAILWAY ENGINEERING ASSOCIATION.—Works in cooperation with the Association of American Railroads, Engineering Division.—W. S. Lacher, 59 E. Van Buren St., Chicago 5, Ill. Annual meeting, March 18-20, 1947, Palmer House, Chicago, Ill.

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AMERICAN RAILWAY MAGAZINE EDITORS' ASSOCIATION.—Clifford G. Massoth, Illinois Central Magazine, 135 E. 11th Pl., Chicago 5, Ill.

AMERICAN SHORT LINE RAILROAD ASSOCIATION.—J. P. Nye, Tower Bldg., Washington 5, D. C. Annual meeting, October 16-17, 1947, Hotel New Yorker, New York, N. Y.

AMERICAN SOCIETY FOR TESTING MATERIALS.—R. J. Painter, Asst. Secretary, 1916 Race St., Philadelphia 3, Pa. Annual meeting, June 16-20, 1947, Chalfonte-Haddon Hall, Atlantic City, N. J.

AMERICAN SOCIETY OF MECHANICAL ENGINEERS.—C. E. Davies, 29 W. 39th St., New York 18, N. Y.
Railroad Division.—E. L. Woodward, Railway Mechanical Engineer, 105 W. Adams St., Chicago 3, Ill. Semi-annual meeting, June 17, 1947, Chicago, Ill.

AMERICAN TRANSIT ASSOCIATION.—A. W. Baker, 292 Madison Ave., New York 17, N. Y.

AMERICAN WOOD-PRESERVERS' ASSOCIATION.—H. L. Dawson 1427 Eye St., N. W., Washington 5, D. C. Annual meeting, April 22-24, 1947, Multnomah Hotel, Portland, Ore.

ASSOCIATED TRAFFIC CLUBS OF AMERICA, INC.—R. A. Ellison, Cincinnati Chamber of Commerce, 1203 C. of C. Bldg., Cincinnati 2, O. Annual meeting, October 6-8, 1947, Lord Baltimore Hotel, Baltimore, Md.

ASSOCIATION OF AMERICAN RAILROAD DINING CAR OFFICERS.—H. S. Whited, 5th & T Sts., N. E., Washington 2, D. C.

ASSOCIATION OF AMERICAN RAILROADS.—H. J. Forster, Transportation Bldg., Washington 6, D. C.

Operations and Maintenance Department.—Transportation Bldg., Washington 6, D. C.

Operating-Transportation Division.—L. R. Knott, 59 E. Van Buren St., Chicago 5, Ill.

Operating Section.—J. C. Caviston, 30 Vesey St., New York 7, N. Y.

Transportation Section.—H. A. Eaton, 59 E. Van Buren St., Chicago 5, Ill.

Communications Section.—W. A. Fairbanks, 30 Vesey St., New York 7, N. Y.

Fire Protection and Insurance Section.—W. F. Steffens, New York Central, Room 3317, 230 Park Avenue, New York 17, N. Y.

Freight Station Section.—W. E. Todd, 59 E. Van Buren St., Chicago 5, Ill.

Medical and Surgical Section.—J. C. Caviston, 30 Vesey St., New York 7, N. Y. Annual meeting, June 9, 1947, Madison Hotel, Atlantic City, N. J.

Protective Section.—J. C. Caviston, 30 Vesey St., New York 7, N. Y. Annual meeting, June 17-19, 1947, Hotel Statler, Detroit, Mich.

Safety Section.—J. C. Caviston, 30 Vesey St., New York 7, N. Y. Annual meeting, May 8-10, 1947, Statler Hotel, Cleveland, O.

Engineering Division.—W. S. Lacher, 59 E. Van Buren St., Chicago 5, Ill.

Construction and Maintenance Section.—W. S. Lacher, 59 E. Van Buren St., Chicago 5, Ill. Annual meeting, March 18-20, 1947, Palmer House, Chicago, Ill.

Electrical Section.—W. S. Lacher, 59 E. Van Buren St., Chicago 5, Ill.

Signal Section.—R. H. C. Balliet, 30 Vesey St., New York 7, N. Y. Annual meeting, September 11-13, 1947, Edgewater Beach Hotel, Chicago, Ill.

Mechanical Division.—Arthur C. Browning, 59 E. Van Buren St., Chicago 5, Ill. Annual meeting, June 23-28, 1947, Convention Hall, Atlantic City, N. J.

Electrical Section.—J. A. Andreucetti, 59 E. Van Buren St., Chicago 5, Ill.

Purchases and Stores Division.—W. J. Farrell (Executive Vice-Chairman), Transportation Bldg., Washington 6, D. C. Annual meeting, June 23-25, 1947, Convention Hall, Atlantic City, N. J.

Freight Claim Division.—Lewis Pilcher, 59 E. Van Buren St., Chicago 5, Ill. Annual meeting, April 15-17, 1947, Hotel Statler, St. Louis, Mo.

Motor Transport Division.—George M. Campbell, Transportation Bldg., Washington 6, D. C.

Car Service Division.—W. C. Kendall, Chairman, Transportation Bldg., Washington 6, D. C.

Finance, Accounting, Taxation and Valuation Department.—E. H. Bunnell, Vice-President, Transportation Bldg., Washington 6, D. C.

Accounting Division.—E. R. Ford, Transportation Bldg., Washington 6, D. C. Annual meeting, May 20-23, 1947, Roney Plaza Hotel, Miami, Fla.

Treasury Division.—E. R. Ford, Transportation Bldg., Washington 6, D. C. Annual meeting, October 8-10, 1947, New Ocean House, Swampscott, Mass.

Traffic Department.—A. F. Cleveland, Vice-President, Transportation Bldg., Washington 6, D. C.

ASSOCIATION OF RAILWAY CLAIM AGENTS.—F. L. Johnson, Alton R. R., 340 W. Harrison St.,

Chicago 7, Ill. Annual meeting, May 7-9, 1947, Hotel Ambassador, Atlantic City, N. J.

BRIDGE AND BUILDING SUPPLY MEN'S ASSOCIATION.—E. C. Gunther, Duff-Norton Mfg. Co., 122 S. Michigan Ave., Chicago 3, Ill. Exhibit in conjunction with American Railway Bridge and Building Association Convention, September 15-18, 1947, Hotel Stevens, Chicago, Ill.

CANADIAN RAILWAY CLUB.—C. R. Crook, 4415 Marcil Ave., N. D. G., Montreal 28, Que. Regular meetings second Monday of each month, except June, July and August, Mount Royal Hotel, Montreal, Que.

CAR DEPARTMENT ASSOCIATION OF ST. LOUIS.—J. J. Sheehan, 1101 Missouri Pacific Bldg., St. Louis 3, Mo. Regular meetings, third Tuesday of each month, except June, July and August, Hotel De Soto, St. Louis, Mo.

CAR DEPARTMENT OFFICERS' ASSOCIATION.—F. H. Stremmel, 6536 Oxford Ave., Chicago 31, Ill. Annual meeting, September 15-18, 1947, Hotel Sherman, Chicago, Ill.

CAR FOREMEN'S ASSOCIATION OF CHICAGO.—W. E. Angier, chief A. A. R. clerk, C. B. & Q. R. R., 547 W. Jackson Blvd., Chicago 6, Ill. Regular meetings, second Monday of each month, except June, July and August.

CENTRAL RAILWAY CLUB OF BUFFALO.—R. E. Mann, 1840-42 Hotel Statler, McKinley Square, Buffalo 5, N. Y. Regular meetings, second Thursday of each month, except June, July and August, Hotel Statler, Buffalo, N. Y.

CHICAGO LUNCHEON CLUB OF MILITARY RAILWAY SERVICE VETERANS. — Col. R. O. Jensen, Schiller Park, Ill. Luncheon, second Wednesday of each month, Chicago Traffic Club, Palmer House, Chicago, Ill.

EASTERN ASSOCIATION OF CAR SERVICE OFFICERS.—H. J. Hawthorne, Union Railroad, East Pittsburgh, Pa.

EASTERN CAR FOREMAN'S ASSOCIATION.—W. P. Dizard, 30 Church St., New York 7, N. Y. Regular meetings, second Friday of January, February (Annual Dinner), March, April, May, October and November, 29 W. 39th St., New York, N. Y.

LOCOMOTIVE MAINTENANCE OFFICERS' ASSOCIATION.—C. M. Lipscomb, 1721 Parker Street, North Little Rock, Ark. Annual meeting, September 15-18, 1947, Hotel Sherman, Chicago, Ill.

MASTER BOILER MAKERS' ASSOCIATION. — A. F. Stiglmeier, 29 Parkwood St., Albany 3, N. Y. Annual meeting September 15-18, 1947, Hotel Sherman, Chicago, Ill.

NATIONAL ASSOCIATION OF RAILROAD AND UTILITIES COMMISSIONERS.—Ben Smart, 7413 New Post Office Bldg., Washington 25, D. C. Annual meeting, July 14-18, 1947, Boston, Mass.

NATIONAL ASSOCIATION OF SHIPPERS' ADVISORY BOARDS.—F. J. Armstrong, U. S. Radiator Company, Detroit, Mich.

NATIONAL INDUSTRIAL TRAFFIC LEAGUE.—Edward F. Lacey, Suite 450, Munsey Bldg., Washington 4, D. C.

NATIONAL RAILWAY APPLIANCES ASSOCIATION. — C. H. White, Room 1826, 208 S. La Salle St., Chicago 4, Ill. Meeting and exhibit in conjunction with American Railway Engineering Association Convention, March 17-20, 1947, The Coliseum, Chicago, Ill.

NEW ENGLAND RAILROAD CLUB.—W. E. Cade, Jr., 683 Atlantic Ave., Boston 11, Mass. Regular meetings, second Tuesday of each month, except June, July, August and September, Hotel Vendome, Boston, Mass.

NEW YORK RAILROAD CLUB. — D. W. Pye, 30 Church St., New York 7, N. Y. Regular meetings, third Thursday of each month, except June, July, August, September and December, 29 W. 39th St., New York, N. Y.

NORTHWEST CARMEN'S ASSOCIATION. — E. N. Myers, Minnesota Transfer Ry., 1434 Iowa Ave., St. Paul 4, Minn. Regular meetings, first Monday of each month, except June, July and August, Midway Club, 1931 University Ave., St. Paul, Minn.

PACIFIC RAILWAY CLUB. — William S. Wollner, P. O. Box 458, San Rafael, Cal. Regular meetings, second Thursday of each alternate month at Palace Hotel, San Francisco, Cal., and Hotel Biltmore, Los Angeles, Calif.

RAILWAY BUSINESS ASSOCIATION.—P. H. Middleton, First National Bank Bldg., Chicago 3, Illinois.

RAILWAY CLUB OF PITTSBURGH.—J. D. Conway, 308 Keenan Bldg., Pittsburgh, Pa. Regular meetings, fourth Thursday of each month, except June, July and August, Fort Pitt Hotel, Pittsburgh, Pa.

RAILWAY ELECTRIC SUPPLY MANUFACTURERS' ASSOCIATION.—J. McC. Price, Allen-Bradley Company, 624 W. Adams St., Chicago 6, Ill.

RAILWAY FUEL AND TRAVELING ENGINEERS' ASSOCIATION.—T. Duff Smith, Room 811, Utilities Bldg., 327 S. La Salle St., Chicago 4, Ill. Annual meeting, September 15-18, 1947, Hotel Sherman, Chicago, Ill.

RAILWAY SUPPLY MANUFACTURERS' ASSOCIATION. —A. W. Brown, Room 1424, 30 Church St., New York 7, N. Y. Exhibit in conjunction with meetings of A. A. R. Mechanical Division and Purchases and Stores Division, June 23-28, 1947, Convention Hall, Atlantic City, N. J.

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ASSOCIATION.—G. A. Nelson, Waterbury Battery Company, 30 Church St., New York 7, N. Y. Meets with Communications Section, of A. A. R.

RAILWAY TIE ASSOCIATION.—Roy M. Edmonds, 610 Shell Bldg., St. Louis 3, Mo. Annual meeting, September 23-25, 1947, Arlington Hotel, Hot Springs, Ark.

ROADMASTERS' AND MAINTENANCE OF WAY ASSOCIATION.—Miss Elise LaChance, Room 901, 431 S. Dearborn St., Chicago 5, Ill. Annual meeting, September 16-18, 1947, Hotel Stevens, Chicago, Ill.

SIGNAL APPLIANCE ASSOCIATION.—G. A. Nelson, Waterbury Battery Company, 30 Church St., New York 7, N. Y. Meets with A. A. R. Signal Section.

SOUTHERN AND SOUTHWESTERN RAILWAY CLUB.—A. T. Miller, 4 Hunter St., S. E., Atlanta, Ga. Regular meetings, third Thursday in January, March, May, July, September and November, Ansley Hotel, Atlanta, Ga.

SOUTHERN ASSOCIATION OF CAR SERVICE OFFICERS.—D. W. Brantley, C. of Ga., Savannah, Ga.

TORONTO RAILWAY CLUB.—D. M. George, P. O. Box 8, Terminal "A," Toronto 2, Ont. Regular meetings, fourth Monday of each month, except June, July and August, Royal York Hotel, Toronto, Ont.

TRACK SUPPLY ASSOCIATION.—Lewis Thomas, Q. and C. Company, 59 E. Van Buren St., Chicago 5, Ill. Exhibit in conjunction with Roadmasters' and Maintenance of Way Association Convention, September 15-18, 1947, Hotel Stevens, Chicago, Ill.

UNITED ASSOCIATIONS OF RAILROAD VETERANS.—Roy E. Collins, 225 Bidwell Ave., Westerleigh, Staten Island 2, N. Y.

WESTERN RAILWAY CLUB.—E. E. Thulin, Suite 339, Hotel Sherman, Chicago, Ill. Regular meetings, third Monday of each month, except January, June, July, August and September, Hotel Sherman, Chicago, Ill.

Selected Income and Balance-Sheet Items of Class I Steam Railways

Compiled from 129 reports (Form IBS) representing 133 steam railways
(Switching and Terminal Companies Not Included)

Income Items	All Class I Railways — For the month of November 1946	For the month of November 1945	For the eleven months of 1946	For the eleven months of 1945
1. Net railway operating income	$64,074,383	$60,714,285	$515,709,053	$891,275,335
2. Other income	17,714,785	19,922,132	165,942,171	172,228,565
3. Total income	81,789,168	80,636,417	681,651,224	1,063,503,900
4. Miscellaneous deductions from income	2,317,073	3,136,531	26,670,557	28,464,277
5. Income available for fixed charges	79,472,095	77,499,886	654,980,667	1,035,039,623
6. Fixed charges:				
6-01. Rent for leased roads and equipment	10,338,150	8,831,908	109,256,417	129,879,222
6-02. Interest deductions[1]	28,099,688	30,851,656	318,054,438	343,962,919
6-03. Other deductions	121,557	115,538	1,343,552	1,233,782
6-04. Total fixed charges	38,559,395	39,799,102	428,654,407	475,075,923
7. Income after fixed charges	40,912,700	37,700,784	226,326,260	559,963,700
8. Contingent charges	2,846,656	2,823,163	32,708,467	34,692,071
9. Net income[2]	38,066,044	34,877,621	193,617,793	525,271,629
10. Depreciation (Way and structures and Equipment)	28,647,588	28,038,263	312,948,186	305,824,686
11. Amortization of defense projects	1,235,291	39,829,015	9,304,108	431,056,842
12. Federal income taxes	1,739,039	*d* 1,804,003	54,192,361	666,242,297
13. Dividend appropriations:				
On common stock	30,981,567	51,053,777	153,903,505	173,965,143
On preferred stock	9,274,950	6,479,931	46,121,850	42,825,994
Ratio of income to fixed charges (Item 5÷6-04)	2.06	1.95	1.53	2.18

Selected Assets and Liability Items	All Class I Railways — Balance at end of November 1946	Balance at end of November 1945
17. Expenditures (gross) for additions and betterments—Road	$206,332,891	$213,605,298
18. Expenditures (gross) for additions and betterments—Equipment	268,277,520	262,621,317
19. Investments in stocks, bonds, etc., other than those of affiliated companies (Total, Account 707)	576,482,061	552,972,336
20. Other unadjusted debits	172,009,349	194,881,335
21. Cash	1,051,147,113	1,266,435,900
22. Temporary cash investments	1,190,960,892	1,761,754,328
23. Special deposits	170,141,803	205,218,857
24. Loans and bills receivable	359,216	521,122
25. Traffic and car-service balances—Dr.	59,056,137	37,047,693
26. Net balance receivable from agents and conductors	122,134,832	106,872,213
27. Miscellaneous accounts receivable	301,047,962	503,528,007
28. Materials and supplies	650,243,228	603,274,696
29. Interest and dividends receivable	28,395,430	41,301,895
30. Accrued accounts receivable	153,792,795	262,522,673
31. Other current assets	30,943,115	53,213,529
32. Total current assets (items 21 to 31)	3,758,222,523	4,841,690,913
40. Funded debt maturing within 6 months[3]	91,385,321	217,366,032
41. Loans and bills payable	9,185,000	11,207,419
42. Traffic and car-service balances—Cr.	109,429,848	168,369,654
43. Audited accounts and wages payable	532,035,532	522,795,002
44. Miscellaneous accounts payable	166,716,516	180,947,145
45. Interest matured unpaid	47,284,961	56,514,651
46. Dividends matured unpaid	9,297,300	8,137,890
47. Unmatured interest accrued	68,985,138	63,717,564
48. Unmatured dividends declared	49,555,013	74,918,405
49. Accrued accounts payable	191,554,592	206,786,934
50. Taxes accrued	536,413,477	1,330,621,673
51. Other current liabilities	108,738,620	148,802,531
52. Total current liabilities (items 41 to 51)	1,829,195,997	2,772,818,868
53. Analysis of taxes accrued:		
U. S. Government taxes	410,019,024	1,190,454,581
Other than U. S. Government taxes	126,394,453	140,167,092
54. Other unadjusted credits	391,955,199	414,855,305

[1] Represents accruals, including the amount in default.
[2] After deduction of the following amounts to create reserves for land grant deductions in dispute: November 1946, $1,472,288; November 1945, $3,471,076; 11 months of 1946, $4,595,788; 11 months of 1945, $42,516,986.
[3] Includes payments of principal of long-term debt (other than long-term debt in default) which will become due within six months after close of month of report.
d Decrease or deficit.
Compiled by the Bureau of Transport Economics and Statistics, Interstate Commerce Commission. Subject to revision.